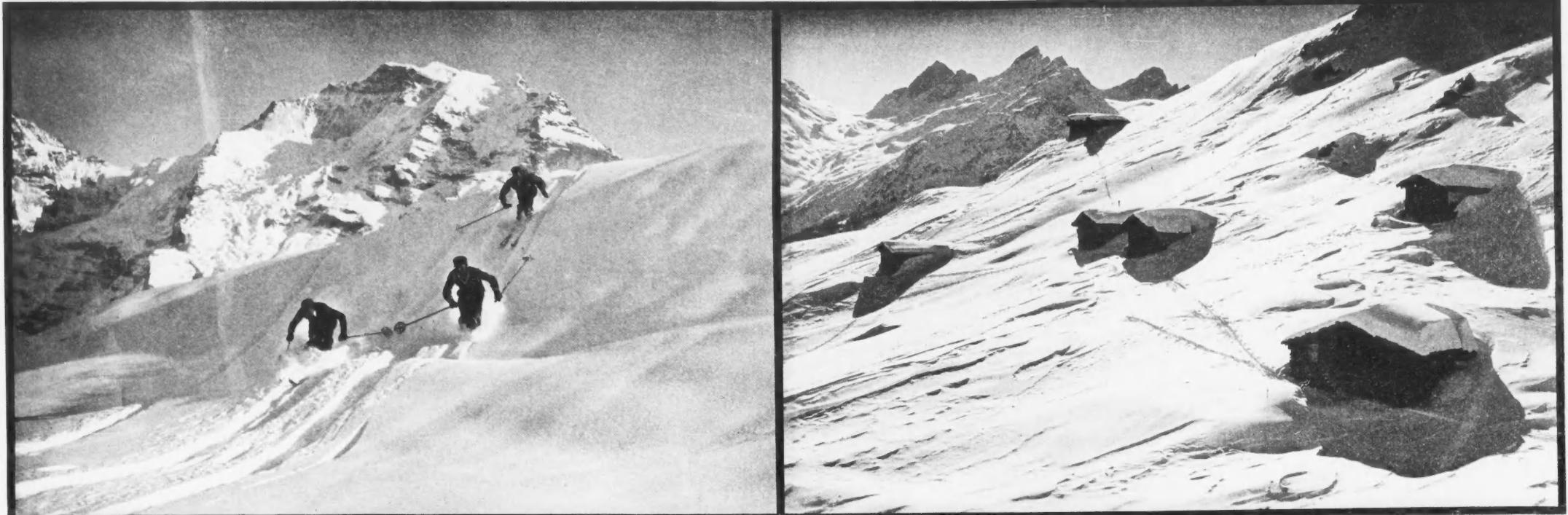


SKI-ING IN SWITZERLAND. *Left:* A trio of skiers enjoy a whirlwind descent near Murren in the Bernese Oberland. *Right:* The nut-brown chalets scattered over the Lauchernalp in the Lotschen Valley are no longer left to themselves during the season of white. As the tell-tale tracks reveal, they have become a popular rendezvous of skiers.

—Photographs by A. Klopferstein, Adelboden, courtesy Swiss Federal Railroads.



WHICH OF THE PROFESSIONS ARE OVERCROWDED?

BY KENNETH J. COX

THE question of overcrowding in the professions is uppermost in many minds in these days. The recent college graduate, fresh from Convocation, wonders whether he will find a niche in the desired professional field. The high school graduate looking forward to college asks himself, and often has friends, if it is wise to invest several of the best years of his life in the training for some profession that is becoming so overcrowded that it does not even offer a decent living. Individuals already practicing some of the professions are thinking about the possibility of making a change to some vocational field less overcrowded and more highly remunerative.

If an individual seeks advice, he is likely to receive either a highly idealistic or a pessimistic answer to his question. Very seldom is he given a realistic one. This article aims to give a realistic answer to the question raised, by carefully examining occupational trends in Canada and other countries, and deducing from statistics some general conclusions. Of all the professions medicine might offer a good starting point.

IN CANADA today there is an average of ninety-six doctors of medicine per hundred thousand of the general population, this hundred thousand being the unit of measurement for all the data in this article. A decade ago we had ninety-nine doctors per unit of population. Thus in ten years one notes a three per cent. decrease in doctors of medicine. At first this decrease seems surprising, as one would expect an advancing civilization would demand more doctors. In the United States this decrease in a greater form has been going on for several decades. A decrease of this type seems to point to an over crowded profession, no longer capable of absorbing many young people in the future. A calculation based on this slight decrease and on the mortality rates for the professions shows that in ten years we should need in Canada some twenty-eight hundred new doctors to fill the gaps left by death and to serve a growing population. Today in our medical schools there are three thousand students. A conservative estimate, making allowances for the "blanking" of a goodly number, and the dropping out of another group for diverse reasons, leads us to expect four thousand graduates in ten years. Twenty hundred too many? In one year one hundred and twenty too many?

The asks if the movement in the Western Provinces for state-supported medicine will not make openings for a large number of medical practitioners. Where the experiment has been tried, in some twenty towns in Saskatchewan, it has been discovered that one doctor can handle from two to three thousand people on his panel at a cost to the municipality of some four thousand dollars and twenty-five cents per person. It has been found that the work is done very adequately, with more people seeking medical aid than previous to the innovation of this form of state medicine. If this form of state financed medicine were introduced in Canada with one doctor per two thousand people we should need only five thousand doctors, and today we have ten thousand.

ONE might ask if there are not some areas of the country needing doctors. The following statistics might answer the question. Ontario has one hundred and twenty-three doctors per population unit of one hundred thousand; Quebec one hundred and six; Alberta one hundred and three; British Columbia and Manitoba ninety-six; New Brunswick eighty-one; Nova Scotia eighty-two; Saskatchewan eighty-nine. And with state supported medicine, one could get along nicely with fifty doctors per hundred thousand people. A careful consideration of these data leads but to one conclusion: only the best equipped of our young men should look forward to medicine as a career.

It is interesting to note the tendencies of the medical schools all over the country in tightening up on their standards in order to turn out fewer but better equipped graduates.

DENTISTRY presents a more promising picture. In fifty years the dental profession has grown from eighteen to thirty-nine dentists per population unit, and it is due for considerable more growth in order to reach the fifty-nine per unit of the United States and New Zealand, and Austria's forty-eight. At the present rate of growth it will take twenty to thirty years to catch up to Austria and another twenty to reach the level of the United States or New Zealand. In Austria dental services are supplied by a form of government supervised insurance. In Canada we graduate one hundred dentists per year on the average, and in order to keep up with our population growth, dentist mortality, etc., we should be able to absorb an additional fifty dentists per year.

Many parts of the country should be able to absorb more dentists. Ontario leads with fifty-four per unit, British Columbia forty-nine, Alberta thirty-three, Nova Scotia and New Brunswick thirty, Quebec twenty-nine and Saskatchewan twenty-four. Dentistry is not only growing, but with state medicine state dentistry will not be far behind. The dental profession no doubt owes considerable of its growth to the free advertisement it gets from the schoolroom, the lecture platform, the radio, the magazine, and the newspaper.

MANY young men's fancies turn to engineering as the ideal profession. A study of the engineering profession and its changes in the last decade is a study of a changing economy, and the prospective engineer should carefully study these trends if he desires not only a diploma but a job. The percentage increase in the number of engineers in Canada is revealing. In one decade, chemists have increased ninety-eight per cent., mining engineers eighty per cent., electrical engineers fifty-two per cent.; the civil engineers have a three per cent. decrease, the architects six per cent., and the mechanical engineers twenty-six per cent. In other words, at least three of the engineering professions are showing a downward movement, which is indicative of overcrowding. These decreases are better understood if one looks at the functions of these professions in the growth of a country. As a country changes from a rural to an industrial and urban civilization, in the change one notes improvements in transportation, housing and industry. In a growing country one needs civil engineers to build roads, bridges, canals, harbors, railroads, etc.; likewise there is need of architects to plan and supervise the new buildings, and mechanical engineers to design and install the new machinery in the factories. When this expansion stops, the demands for these experts diminish. From authoritative sources, we are told Canada is now developed to supply all the needs of a population of twenty-five million; today we have ten million; in 1940 at our present rate of development one might expect twelve million population, which leaves little room for any expectation of a great expansion in the near future.

Electrical, mining and chemical engineering are still growing and their growth may be explained in terms of their functions of supplying power and raw materials for the manufactures of the country. Electrical engineering is still growing, but mainly in the areas of rural electrification and household appliances. When all the rural districts are electrified and all homes supplied with all the available appliances, electrical engineering will likely show a decrease. The chemical and mining fields have shown tremendous growth, due largely to their function as suppliers of raw materials for manufacturing. Their saturation point, after which a decrease sets in, will be long after that of all the other engineering fields.

IN THE light of the above material we might expect continued decreases in civil engineering, architecture and mechanical engineering unless some unforeseen expansion sets in. There might yet be some increase in electrical engineering, and there is little doubt of a continued yet somewhat retarded increase in mining and chemical engineering. In terms of these past trends, mechanical engineering seems to offer little prospect for the average person. Civil engineering, especially in Ontario and Quebec, which show slight increases, should offer about two hundred openings per year in normal times. Architecture, a limited field in Canada, could at best offer thirty-five to forty positions per year. Electrical engineering shows increases in all Provinces with the exception of British Columbia, which seems in the past to have been the Mecca of the professions, with a resultant overcrowding. Mining engineering is growing in all mining areas. Chemical engineering seems to be growing in all areas, with again the slightest growth in British Columbia. Engineering in Canada, it is seen, is in a rather unstable condition, and the prospective engineer would be well advised to build a broad engineering foundation on which he might adjust, if need arises, to new and more promising engineering fields.

THE field of law is still a popular choice. An examination of statistics shows that the legal field has been on the decline in all the Provinces with the exception of Ontario; the Maritimes and Quebec

show slight decreases, and the Western Provinces distinct decreases of from twenty to twenty-five per cent., with the exception of Manitoba with a thirteen per cent. decrease. One of the major causes of the decrease in the demand for the services of the lawyer is the tendency of many firms to have on their staffs persons sufficiently versed in the legal implications of their business to make the services of the lawyer unnecessary. Thus the realtor of today handles the mortgages and deeds of the client; trust companies draw up and administer wills and estates; insurance companies and public conveyances have their claim agents; accountants handle bankruptcy procedures. In all these spheres of business, formerly the domain of the lawyer, the trained and experienced layman is taking the lawyer's place. One of the few hopeful signs for the younger lawyer is in the growing volume of social and industrial legislation, and the necessity for persons trained in its legal implications.

LOVE IN CHILDHOOD

BY ALAN MONK

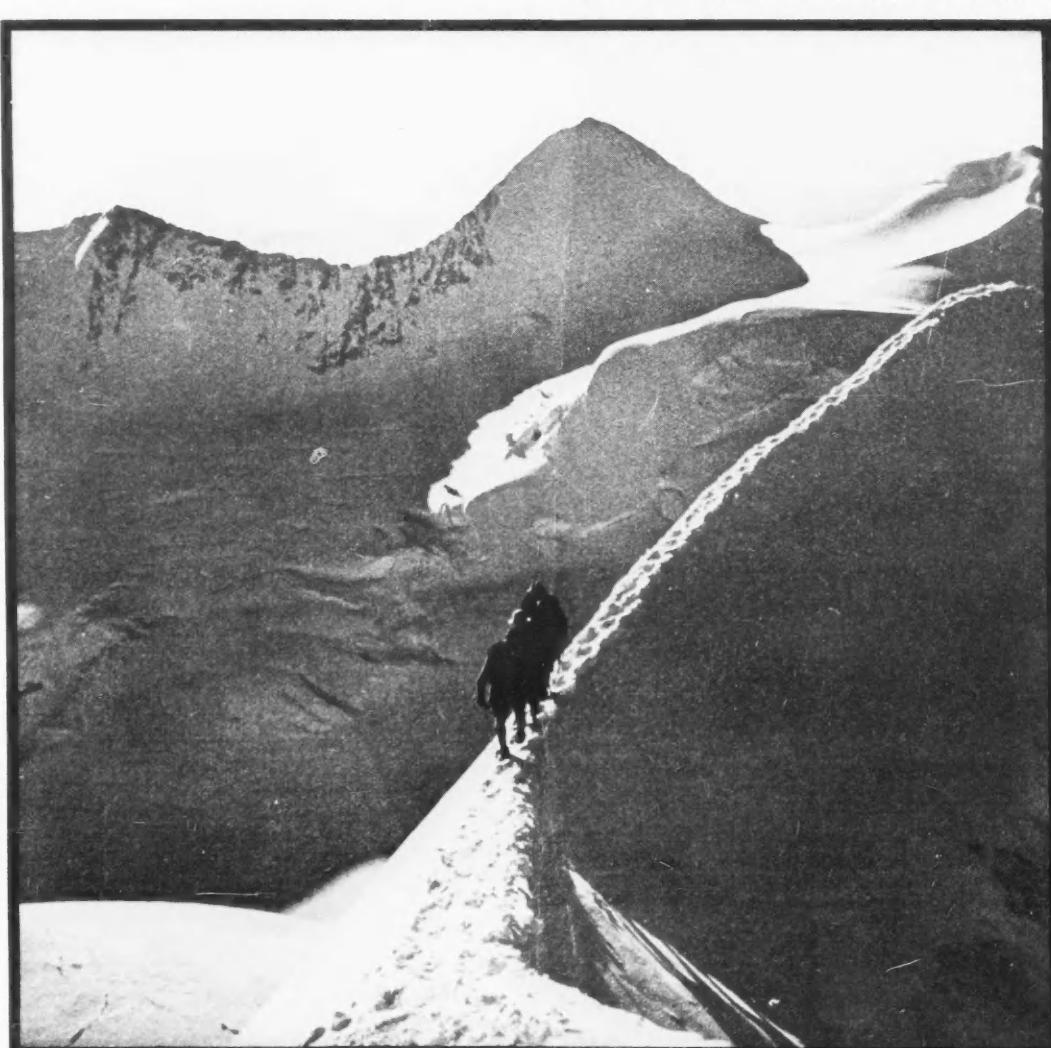
WHAT shallow dim perception of my youth
Was love—a bubble blisst, a flimsy toy,
A trifling pleasure, passing, half uncaught,
That did at once entrap and annoy.
It was a phase of life adult and strange,
The certain complement of growing years;
A theme of light debate and frequent change,
A bringer of upheaval and of tears.

I could but see it dimly, like a hand
Distant across great water, or in mist,
Whose storied charm I did not understand,
Nor of what shapes its beauty might consist;
And wondered idly, as at fairy lore,
If ever I should step upon that shore.
Rosemire, Que.

for its successful interpretation and administration. In view of the downward trends in the legal profession viewed statistically, there is little doubt that again our schools of higher learning are training far more students than the demand warrants.

ONE does not need to comment on the overcrowding of the teaching profession. The large number of applicants for the few openings is a sufficient omen of a distinct overcrowding. It is rather difficult to make any prognostications on the number of teachers required, due to the profession being predominantly female, with a resultant high labor turn-over due to marriage. The teaching profession, if such you may call it, is in a peculiar position due to the very short professional training period of one year in a normal school or college of education. Many young people curtail any consideration of their vocational future until graduation, and then, finding no suitable openings, they rush into the teacher training institutes to get a certificate by which they can teach what they were taught. Thus many vocational left-overs and misfits crowd into the teaching profession. Much can be said for the four-year professional training course for teachers as in vogue in United States as a selective barrier to this important profession.

Today, with changing conditions, new needs are rising, and with these needs there comes a demand for individuals trained to handle them. Out of these needs and their handling are arising new vocations that might be crystallized into new professions. Increasing social legislation and its administration is opening up opportunities for a variety of different types of social workers. New industrial laws are creating a demand for experts in accident prevention, personnel work, and labor difficulties. Greater leisure is making opportunities for those skilled in the teaching of drama, handicrafts, folk dancing, outdoor work, and all phases of athletics. A new interest in childhood is making opportunities for those trained in parent education and pre-school education. The importance of personal adjustments of the best type is paving the way for the consulting psychologist and psychiatrist. The problem of crime detection and prevention is calling into use more and more the services of the criminologist and the penologist. To meet these demands the universities are setting up courses and departments in many of these fields. Associations are being formed of persons professionally interested in these fields. Scientific journals are being published for the exchange of findings. Yearly conferences are being held for the sharing of ideas. In all these we see the nucleating forces at work that go to make the profession with its body of techniques, knowledge, ethics, and its closed membership available only to those specially trained.



CLIMBING IS FUN, TOO. A party traversing a narrow icy ridge of the Piz Bernina near St. Moritz, Switzerland.

—Photograph by A. Pedrett, St. Moritz.

THE DEN

BY J. E. McDougall

M. PETERSON was at the door to meet the Thompsons when they came up the steps and had them inside the living room, showing them the new studio couch and the fireplace, and apologizing for the flecks of enamel on his trousers, before they had a chance to take their things off.

"I was just painting over some chairs I picked up at an auction sale and I hadn't any idea it was so late," he was saying when his wife came out of the kitchen.

"Hello," she said happily, "don't pay any attention to Charles. He's gone domestic on me."

She kissed Mrs. Thompson and squeezed Mr. Thompson's hand.

"Let me take your things; Charlie would never think of it, of course. I'll put them in the bedroom. You can come with me if you like, Clara. Jack wouldn't be interested in new bedrooms, I know."

"Wouldn't I, though?" said Mr. Thompson with summoned enthusiasm. "Just lead the way."

ALL three followed Mrs. Peterson into the bedroom, where the two visitors went into little exclamations of surprise and delight. Such lovely chintz curtains! Mrs. Peterson made them herself! How clever; she should really go in for interior decorating! Such a beautiful bedspread! And the cute little dressing table! Really, it was just like a doll's house. Mrs. Thompson declared it was exactly the kind of bedroom she had always dreamed of. They could hardly be drawn out of it to inspect the dining-room, the kitchen, the bathroom, and then the living room again. Everything was so settled and complete you would have thought the Petersons had been living there for months.

"What's *this* room?" asked Mr. Thompson, his hand on the knob of a door next to the bedroom. Mrs. Peterson flew to his side.

"Oh, you mustn't go in there," she said. "It's not fixed up. It's just a sight."

"What's it going to be, Sally?" asked Mr. Thompson.

"Well, it's nothing really," said Mr. Peterson hurriedly. "It's just—"

"I know," said Mr. Thompson brightly, "it's a billiard room."

They all laughed uproariously.

"Well," said Mrs. Peterson, "it's just an extra room. We thought we might make it into a sort of a den for Charlie, you know. A study."

"What a marvelous idea!" exclaimed Mrs. Thompson, "may we see it?"

But Mrs. Peterson had her by the arm.

COME on, Clara," she said urgently, "I want you to look at the roast for me. I can never tell when it's done and you're so wonderful at that sort

of thing."

The two men went into the living room.

"You're certainly well fixed here, Charlie," said Mr. Thompson. "Got about everything a man could ask for—lovely home, a car, and a clever little wife. I certainly envy you."

"What about yourself?" countered Mr. Peterson. "You have the same things, and then you have a couple of lovely youngsters, too."

"Oh, sure," agreed Mr. Thompson. He looked shrewdly at his friend.

When the women returned they went into the same thing again, and intermittently, through the dinner. Mrs. Thompson vowed that she was simply dying with envy. Over the liqueurs Mr. Thompson recalled their own efforts at getting settled. Like the Petersons, they had lived in a furnished apartment for the first year.

"You have no idea what a thrill it was to get into a place where we could have our own things," she exclaimed. "Of course we had to anyway. Little Annette took up every bit as much room as a grown-up, didn't she, Jack?"

She looked amiably at her husband, and then quickly at Mrs. Thompson.

"But, of course, you haven't any problem like that. Lucky Charlie, he can have a den all to himself! Mind you don't spoil him, Sally."

THEY all giggled and Mr. Peterson changed the subject to the approaching Christmas.

"Oh, you two don't know what Christmas is!" chided Mrs. Thompson gently. "At our place I sometimes think it's all we live for. Annette knows about Santa Claus, of course, but she's been so busy keeping young Tommy's illusions alive that she's almost convinced herself all over again."

"Christmas is really for the kids," said Mr. Peterson.

"Sure it is," agreed Mr. Thompson, with feeling. "I can't imagine what it would be like without them. But, of course, you two will have lots of fun. I guess you have a bunch of parties planned already."

"Oh, yes indeed," said Mrs. Peterson.

At eleven o'clock the Thompsons rose to go. As they went down the steps Mr. and Mrs. Peterson waved goodbye to them from the door. Mr. Peterson had his arm around Mrs. Peterson's shoulder.

"Goodbye, you two!" called Mrs. Thompson. Then she could not resist adding, "If you want any help, Sally, I'd love to help you fix up Charlie's den. You know, hanging curtains or anything. Men are such babies about such things."

Her husband interrupted her.

"Good night, Charlie," he called. "I'll come up and have a game of billiards with you as soon as the table's installed."

THE FRONT PAGE

(Continued from Page One)

Canadians with the connivance of a French-Canadian politician. But this is not by any means the real gravamen of the charge against the Taschereau administration.

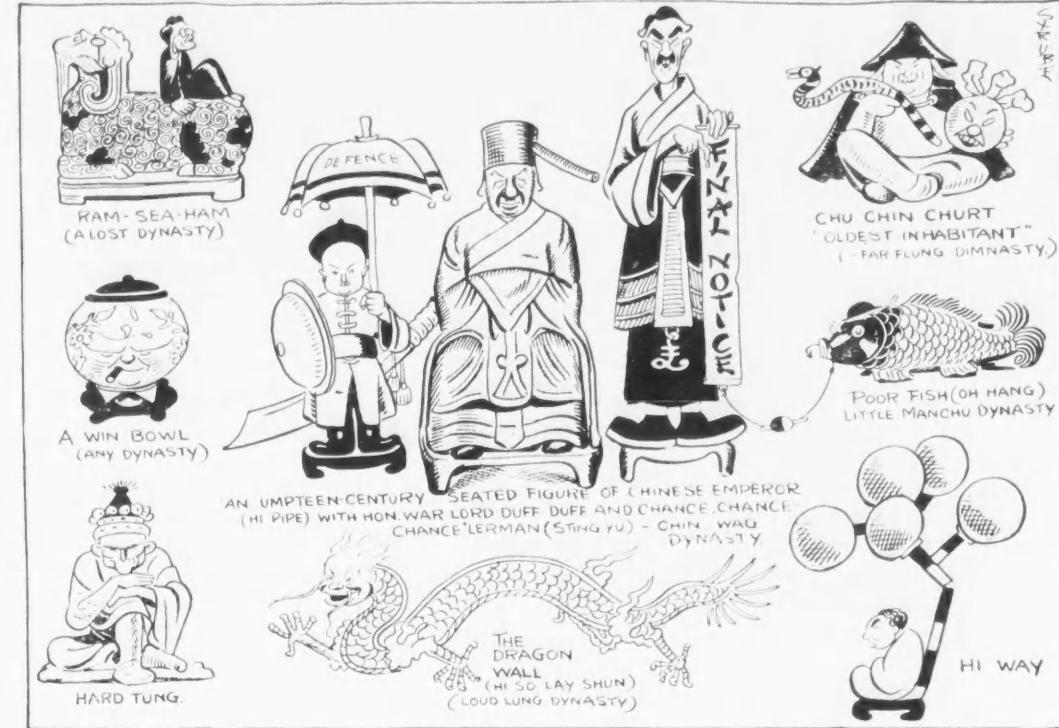
It should not be forgotten that this is the first time that the electors of Quebec have had a chance of expressing their views about the Taschereau Government since the election of 1931. In that election, charges (probably not wholly without foundation) of gross and extensive corruption in favor of Government candidates were made, and the election returns were contested in a great many constituencies. The procedure followed in these contestations was perfectly in accord with the election law as it existed when the election was held and had existed for generations past. In order to get rid of the contests and enable the Government candidates to hold their seats without inquiry as to how they got them, the Legislature, with all these contested members actually sitting in it and voting, adopted the Dillon Law which sets forth that the thousand-dollar bond required of the petitioner in an election appeal must be the absolute property of the petitioner himself; that the question of the source of this thousand dollars may be invoked at any stage of the proceedings, even if it has already been invoked and passed upon, by means of a special pleading; and that this special pleading must be passed upon before any other aspect of the case and before the examination on the merits. Since all the contestations had been financed from the general fund of the Conservative Party—an eminently natural and legitimate proceeding, this law had the effect of wiping them all out. There is a considerable amount of sporting instinct in the French-Canadian, and it is not surprising that this outrageous change in the rules of the game effected by one set of players in the middle of the conflict should have aroused his indignation.

2 2 2

UNDERGRADUATE THOUGHT

UNDERGRADUATE periodicals are by the very nature both of their staffs and of their subscribing public an extremely variable quantity. About three-quarters of the time they are either a light-hearted pastime of a small group of printer's ink hounds or a laborious effort to record the hardly worth recording events of various undergraduate societies. But once in a while they become a vehicle for a really important intellectual movement in the student body; and *Acta Victoria*, the undergraduate publication of Victoria College, seems at the moment to be fulfilling this function very successfully. That there is an intellectual movement going on in the College, and that it is by no means a mere eddy in the general stream of C.C.F. philosophy, is quite evident. The recent selection of a particularly sombre Gorky play for presentation by the Dramatic Society is one of many evidences that the students are taking our social problems seriously; and last month's debate on pacifism was by no means all made up of the ordinary sentimental impracticalities.

The current issue of *Acta Victoria*, which will no doubt excite quite as much criticism as its two predecessors, contains a great deal of thought-provoking writing, notably an article by E. A. H. on the position of the Barthian German Protestants, which suggests that they have brought most of their troubles on their own heads, and one by Mr. Ken Woodsworth on Social Credit in Alberta, in which the Aberhart movement is described as a beginning of fascism. Mr. Woodsworth writes as one who believes that the capitalist system is doomed and that social



—Cartoon by Stobie, London, England.

CHINESE TREASURES
(The Chinese Art Exhibition is open at Burlington House, London.)

ism is inevitable, an attitude which enables him to speak of "a carefully cultivated hostility to socialism" as an obvious sign of reaction. Our own judgment would be that the hostility of the Alberta farmers and small shopkeepers to socialism does not have to be cultivated, being a perfectly natural result of the individualistic nature of their business. Socialism is a product of the industrial life, and will have to be put over by force on the Alberta farmers just as it was put over by force on the farmers of the Ukraine. This allowance made, Mr. Woodsworth's analysis of

the Alberta situation is probably the best that has yet been published in Canada.

That the Albertans have very little understanding of democracy has been clear for twenty years. In that condition they are a natural prey of anybody who can lead them either to fascism or to socialism. Mr. Woodsworth is grieved that they have not been led to socialism. Our own grief is entirely over the prospect that they may succeed in ruining democracy in one Canadian Province; if they do that, we do not much care what they put in its stead.

CANADA AND THE CALENDAR

(Continued from Page One)

of times a year in every-day reckoning. Third, all routine activities which occur in the course of a month such as paying bills, getting out statements, attending meetings and collecting statistics, would have to be repeated an extra time each year. These objections are so formidable and weighty that the thirteen month year has already encountered a tremendous amount of opposition.

THERE remains the World Calendar plan. This plan retains the present twelve month year and so escapes most of the disadvantages of the thirteen month plan. But it rearranges the months into a more orderly and balanced structure, containing two equal halves and four equal quarters. Each quarter consists of three months; the first month has thirty-one days, the remaining two have thirty. These quarters also comprise exactly thirteen weeks each, or ninety-one days, of which thirteen are Sundays and seventy-eight week-days. It is not quite as simple as the thirteen month calendar in that its months are not all the same length. But its quarters are. Every three month period is exactly like every other three month period, and the calendar as a whole is perpetual in form and reasonably easy to memorize.

Like the thirteen month plan, it provides an extra, nameless day to round out the year. It places this day at the end of December and calls it "Year Day" or "The second Saturday, December 30th". In leap years, a similar day is added at the end of June. Since under the World Calendar, January the first always falls on Sunday and since, under our present calendar, January 1, 1939, will fall on Sunday, a determined effort is being made to put the plan into effect in 1939, so that the old calendar may merge into the new with a minimum of disturbance and confusion.

A party which has been in power for over forty years is apt to develop characteristics of this nature. The same thing happened to the Liberal Party in the Province of Ontario in the first decade of this century. In many respects the Taschereau Government, like the Ross Government, has administered the affairs of its Province with ability and wisdom. But like the Ross Government, it seems to have acquired the belief that its continuance is indispensable to the welfare of the Province, no matter what may be the means by which it keeps itself in power. Under a democratic system, governments which acquire that belief always have to be cured of it some time or other by the electors.

TO SECURE such a result, simultaneous and nearly universal action must be taken by the parliaments and legislatures of the world. It is possible that it will be taken; for calendar reform is now receiving organized support all over the world. Fourteen countries, including Canada, possess associations dedicated to that purpose and most of them support the World Calendar plan at least in principle. In 1931, at Geneva, a conference of delegates representing 41 nations expressed their views on calendar reform. All agreed that it was bound to come. Rejection of the thirteen month plan and interest in the twelve month plan were expressed by Great Britain, Germany, Italy, Japan, Belgium, Greece, Irish Free State, Netherlands, Sweden and Switzerland. Two of these, Switzerland and Greece, gave definite commitments on behalf of their governments for the twelve month, equal quarter calendar.

Canada's position at that conference was perhaps a little unfortunate. The Canadian delegate, acting under instructions from Ottawa, cast a definite vote for the thirteen month plan and had the doubtful comfort of being supported by the delegate from Jugoslavia and no one else! Thus, Canada's official position at the moment favors the thirteen month plan. Since then, however, the Canadian Rational Calendar Association, with headquarters in Toronto, has been formed. The stated purposes of this association are: (1) To secure withdrawal of Canada's official endorsement of a thirteen month calendar; (2) To advocate world-wide adoption of a national perpetual twelve month equal quarter calendar; (3) To inform public opinion on the defects of the calendar now in use; (4) To promote the adoption of a stabilized Easter along the lines of the British Parliamentary Easter Act of 1928.

Ingenious and rational as the proposed World Calendar appears to be, no one can foresee all the consequences of a change in the calendar. In the past, whenever such changes have been made, they were accompanied by riots and bloodshed resulting largely from the divinely rooted belief that the calendar is a divinely appointed institution which must not be tampered with. Even today, enlightened though we are, there will undoubtedly be loud objections to calendar reform on religious grounds.

Without subscribing to such objections, no one

can question the right of the objectors to make their objections known. Indeed, the practical point of this whole discussion is that anyone who does object to calendar reform—whether on religious, rational, scientific or practical grounds—will do well to make his or her objections known with all possible speed. Similarly, those who favor reform, either along the lines of the World Calendar plan, the thirteen month plan or any other plan, ought to give expression to their views in a manner that will reach the sometimes none too keen ears of our law-makers. Only in this way can the Canadian government be expected to act in accordance with the wishes of the Canadian people when next that government is called upon to state its position with regard to calendar reform, and possibly to back up its position with legislation which will call a new calendar into being in this Dominion.

THE RIGHT CLOTHES FOR SOUTHERN SPORT AND SOCIAL WEAR

We are now showing
an individual selection of:

SPORT TWEEDS
WITH TROUSERS TO BLEND
ALSO
SUMMER TUXEDOS
IN WHITE OR PASTEL SHADES
WITH CUMMER-BUND
TO BE WORN WITH
DRESS TROUSERS.
SOFT SHIRTS AND BLACK TIES

For Style and Ease

COME TO

Lerry Bros.
MAKERS OF MEN'S CLOTHES
69 WEST KING ST.
T O R O N T O



The Chapel

Commodious, convenient, beautifully and appropriately appointed. Equipped with pipe organ. Perfectly ventilated.

Services are held here under ideal conditions. (There is no additional charge.)

Cremation Carefully Attended to if Desired

A. W. MILES

UNDERTAKER

30 ST. CLAIR AVE. WEST

HYland 5918

HYland 4938

—National Affairs

A NATION'S CONSCIENCE

BY ROBERT CAYGEON

THE Britisher's worship of "good form" has been just such a butt since sophistication became a parlor grace. Not is good form a fetish worshipped only by the British upper classes. Its different manifestations are reverenced on the "soccer field" where hundreds of thousands who do not recognize the existence of aspiration hold the codeless tradition of sport sacrosanct. Such a scale of values will, of course, tolerate a fool but execute a cad. Experience seems to support the wisdom of this attitude, for more nations have been led to disaster by brilliant but unscrupulous opportunists than have been destroyed by right-minded mountebanks.

It is not that reason has no place in the governing of society, but that reason transcending the bounds of social capabilities, must first be measured by, and if necessary modified to suit, the prevailing moral sanctions. The well-known British spirit of compromise, which is regarded by intellectuals as intolerable vacillation and

their life and inspiration from the Mother Country. There is no comparing Englishmen with Americans; one is not with the cliché that there are good and bad in all countries. One can, however, compare Britain and America, France and Germany and the comparison depends in no way upon the relative merits of some supposed typical Englishman, typical Frenchman, typical German or typical American.

Who, for instance, having any wide acquaintance with German men and women would believe it possible that a begotten, reared, militant nationalism could win the wholehearted loyalty and support of these kindly, thoughtful, broadminded people. Yet the Nazi movement is no transient nonconformist madness induced by the war. It is the normal condition of the German nation. Before the war it was Prussian Junkerism that held them enthralled. A brief period of liberalism intervened after the war and the nation has now reverted to

IT IS a good idea for young nations which have not developed a particularly national character but those which are rapidly developing a bad one to keep the motto of national security well before the public eye so that consciousness may be given at what a disadvantage the upholders and founders of a new scheme of things. An unbiased examination of what is good and what is bad will reveal progress, however. Everybody will accept it and nobody will adopt it. The law-abiding code always carries more weight because breaches of it take off as readily from the pale which standards run ragged and are more easily seen. Social approbation or the alternative tactic of encouraging law and the fear of punishment the most powerful deterrent. The former, of course, is more "natural" than natural, so to speak, as it has a greater appeal to the pleasure principle which we all share. Hence the importance of a social organization which has been developing for years of competitive negotiation. No change at the election tomorrow will be of any real value in advancing international relations or the conscience of the British nation in which it is such an intimate part.

THE Attorney-General of Great Britain announced the other day that he means the expropriation of the ex-royalists. Sir Thomas Inskip, a redoubtable monarchist, a characteristically frank and blunt man, made this announcement privately and seems that it was more plausible in the Socialist government. In it seems to act entirely true to fact.

This is exactly what is meant by the statement that the British cannot be swayed by the ordinary bourgeois conundrum applied to individual human beings. The royalist process does not appeal to the hearts of their personal intellectual capacity, but by the sensations of the national body.

No subtler, more comprehensive, to the human interest and concern by the individual brain will ever be acceptable to the great mass of English people because they do not apply any intellectual criterion to the measurement of social ideals. A change becomes necessary and the necessity comes to the British mind as a revelation as soon as the existing practice becomes offensive to the British social conscience. To "advancing" shakers the British social conscience may appear as a singularly obtuse and insensitive ignoramus. It is, however, vastly superior to the embryonic social consciences of nations peopled by much more sensitive citizens whose composite conscience never stimulates them into collective activity until social evils have passed beyond the limit of social toleration, from the chronic to the acute stages and pre-empted forcible and direct action under the compulsion of mob hysteria.

There is every indication that the United States will pursue its destiny by swinging from excess to reaction with the thread ever present of placing too great a strain upon its inadequate powers of internal cohesion, with the result that civil strife may ensue. Obviously the development of social qualities which preclude such eventualities is very much to be desired, whether they satisfy the canons of individual reason or whether they provide a perpetual butt for international jest.

iples. The charge of hypocrisy rests on the same grounds. Actually there is nothing inconsistent about their attitude. After all, it was the British who coined the saying "honesty is the best policy". Any one obviously engaged in putting this precept into practice would lay themselves open to the same double charge of selfishness and hypocrisy. It is easy to believe that the headwaters of the Nile are a matter of great concern to the British Foreign Office. It is not so easy to believe that they mean much to the general public and the ranks and file of the Labor Party. Even if they did it would still not explain the outburst of public indignation against a plan to mollify Mussolini and place his sphere of jurisdiction at a safe distance from the valley of the Blue Nile.

The explanation lies in the fact that the League of Nations is an ideal which if fully realized would spell security for Britain by offering security to all those European powers who live in the shadow of fear. Betrayal of the League means the destruction of an ideal which has a good sound, practical value in terms of collective well-being. And no ideal is worth a second consideration which is not based on an enlightened understanding of what constitutes greater comfort, security or happiness for human beings on this earth. Virtue is not an end in itself. Although it is sometimes necessary to persuade people to subscribe to virtue as something desirable in itself, because its benefits are

too subtle and remote to be readily appreciated by those who are not of a particularly reflective turn of mind.

FORM and custom are of the essence of good social organization. To achieve a national character which carries the people through the vicissitudes of time and circumstance it is necessary that they should hold certain tenets in unison; affection. It is also necessary that they should entrust the formulation and re-formulation of these tenets to a group of people whose instincts they can trust. One may take it as a fact that American women are, by and large, the best and most tastefully dressed women in the world. This is not because the average American woman has a better native sense of form and style but because the arbiters of fashion are better and, what is more important, their dictates are more implicitly and universally followed.

Any comparison between Britain and the United States which shows the latter in an unfavorable light must rely for its explanation upon the unwillingness of the run-of-mill American citizen to recognize social superiority, although permitting himself to be glamorized by displays of social superiority. The result has been that those in the United States who are best fitted to set the standards of civil form and be the arbiters of social values have remained in uncomplaining obscurity while disastrously competent tally-pushers and tuft-hunters

with no sense of permanent values have elbowed their way on to the platform.

A GOOD resolution for Canada to make would be a resolve to be ten more respectfully to the sober, self-disciplined and self-respecting people who are to be found in abundance. They have no preconceived opinions the propagation of which they regard as a sacred mission. They are sensitive to gradations, being unable to see everything as pure black or pure white and, though they are not especially brilliant, they preserve an undistorted sense of perspective and proportion the forfeiture of which is usually the price of brilliance.

We are in very real danger of losing our heads and yielding with a sense of relief to the blandishments of any siren voice announcing the discovery of some simple political operation by means of which we can regain our lost vitality. The proposition is usually made still more palatable by the accompaniment of offers to sacrifice some person or clique who are represented as the authors of all our misfortunes. It was the Jew in Germany, it may be the mythical and unidentified monsters of St. James Street here. We will do well to look carefully at the credentials of the prophets who will come preaching the most fascinating if incomprehensible doctrines, on the principle that no system can be any better than the men who administer it.



Pictured above, the new
Cadillac Series 60 Fleet
Passenger Touring Sedan

Cadillac

THE CADILLAC-BUILT LA SALLE

THE CADILLAC-FLEETWOOD

—United States Affairs

ATTITUDE ON SANCTIONS

BY WALTER LIPPmann

BEFORE we presume to judge too righteously the conduct of Mr. Baldwin, Sir Samuel Hoare and Mr. Laval, it is only fair to remind ourselves of the situation which they faced three weeks ago.

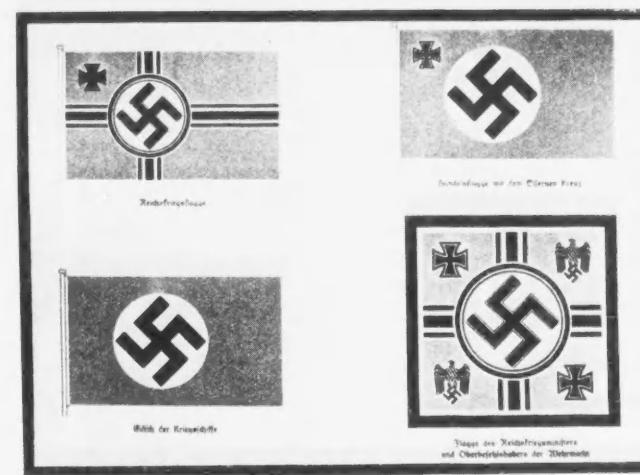
Early in October Italy undertook a war of conquest which had been announced well in advance. Its general purposes were known to the foreign offices of Europe for perhaps a year. During that year nothing important was done by the great powers or by the League to convince Mussolini that he would be met by "collective" resistance. Undoubtedly he came to think that he would be treated about as Japan was treated in the Manchurian affair of 1931, that is to say that he would be bombarded with resolutions of disapproval and then be allowed to proceed.

No one had reckoned with the outburst of British opinion expressed in the peace ballot last summer, that is to say with the profound conviction created among masses of people that

if the League does not prevail against the Italian dictator now, Europe will be demoralized and disorganized if it has to face Hitler in the future. This sentiment induced the government to assume the leadership of the League and the result was that for the first time in its history the League legally condemned a great power. This action committed all the members of the League to the duty of stopping the Italian war of conquest.

THEY did not stop it. Though in theory the League powers could have forbidden Mussolini to move his army to Ethiopia by closing the approaches to the Suez Canal, they decided not to take the risk of an outright collision with Italy. They adopted, instead, a program of sanctions which, though it might ruin Mussolini in the long run, did not prevent him from carrying on his war and trying for a decisive victory before the sanctions did him too much damage.

This brought the government face to face with a truth which the friends of the League have never



THE NEW GERMAN FLAGS. Top left, the flag of the German Army; top right, the Merchant Marine; bottom left, the Navy (man-of-war); bottom right, the flag of the War Minister and Commander-in-Chief of the Armed Forces. The colors are always black-white-red.

been willing to consider fully. It is that a really effective sanction is an act of war and can be imposed only if the members of the League are prepared to take the risks of war. This is what Mr. Baldwin meant when he said the other day that

"many of those who were the strongest advocates of sanctions advocated them because they believed they were convinced, the use of sanctions was a peaceful way of stopping war." It has been proved that they were mistaken. Ineffective sanctions, that

is to say, sanctions which harass a great power but do not quickly defeat it, can be applied without too great risk of war. But effective sanctions, such as the stopping of oil, cannot be applied without the risk of war against a great power which is engaged in a life and death struggle.

It has been said that when Mussolini announced that an oil sanction meant war, he was bluffing. No one can be sure he was bluffing. What is more, if the League powers were not prepared to go to war to enforce an oil sanction, they were bluffing. The very real and present danger existed that Mussolini would risk a desperate reprisal believing that the League was bluffing more than he was.

NO RESPONSIBLE statesman could have voted for the oil sanction unless he knew and knew that Mussolini knew that the League powers, their governments, their military forces, and their public opinion were prepared for war. The only sure guarantee that Mussolini would not strike back was to convince him that the League was ready for him.

It was not ready. The British had their fleet in the Mediterranean. But it was by no means clear that the British people were prepared to fight Mussolini. It was very clear that the French people were not prepared to fight him, and that the other League states were uncertain and unprepared. Under these circumstances it is not difficult to sympathize with those in Britain and France who decided that they must try to avoid the issue of the oil sanctions by negotiating a peace in Africa. No one, it seems to me, is entitled to condemn Sir Samuel Hoare or M. Laval completely unless he is willing to say not merely that they should have taken the risk of war, but that he is confident that their peoples would have backed them if war was provoked. Certainly the Hoare-Laval proposals were immoral. But to incur the risks of war without knowing that their peoples were ready and their military forces adequate would have been even more immoral.

IF WE are to indulge in censures of the British government, the things to complain about are in the first instance that they waited too long, that they waited until Mussolini was hopelessly committed, before they started to oppose the war, and then, that having decided to invoke the covenant, they took a lot of action without first mobilizing sufficient force and opinion to back it up. Nothing is so dangerous in diplomacy as to make a strong ultimatum being sure that you will and that you can carry it through. At the beginning of December Britain and the League were caught half-asleep. They had threatened an oil sanction, which they did not feel able to impose. The Hoare-Laval proposals were an attempt to retreat from this position of trepidation.

THE proposals have now been laid on the table and with them the proposal for an immediate oil sanction. The British government has manifestly learned its lesson. It now does what it should have done many months ago: it is决心 to proceed with effective sanctions and it knows that it can fall on the League's effective force to restrain Mussolini or to deal with him if he strikes back.

This is not only a more prudent policy but from the point of view of making the League a real defense against another great war, the only possible policy. The world has to rid itself of the disastrous illusion that peace can be preserved by condemning the aggression and then not moving. It has to learn that collective security is a reality and a demand unless the aggressor has overwhelming military ascendancy. If the core of the aggressor, under the collective form is not only strong in theory but is in fact so mobilized unless it will, if needed, be mobilized, unless it will be authorized to employ it, as long as there is the least doubt that the League's power is really strong to hold it in check, the nations must be in a state of vigilance, will duty, the League must stand on its importance. Japan did that in 1931. Italy has done it in 1935. It will be done again in the League which has a tested record in the League must be in a state of vigilance, will duty, the League must stand on its importance.

IN THAT long view the events which culminated in the resignation of Sir Samuel Hoare may prove to have been an expensive but very necessary demonstration of a fundamental truth. It is a truth that has to be learned before the League can be really useful, which is that whether it can restrain a war or whether it can prevent a war is different. The former is that of the League. They may be able to do it, but it is known that they can and will not. But they cannot stop it if they know that they cannot do it. So the thought of peace and of the League cannot restrain too quickly that Mr. Baldwin touched the heart of the matter when he said in the House of Commons on Thursday that "the ultimate sanction of the League must be in itself a sufficient force."

THE description of "moral" sanctions is curious. In the League's definition, when it is resolved that sanctions are an act of war, the League will have some of the

things one Preston Foster made morally happen. That's what he did. He was the spy made by the Hollywood beauty French film star who had not found time on the ocean wave, all too which she could wish. She was sinking pale and agonized into her steaming bath when her neighbor cheerfully asked:

"Have you breakfasted, madam?"

"No, madam," answered the actress with a wan smile. "I have not broken fast. On the contrary." — *Screen Play*.

The New CADILLACS

Most Fascinating of All Fine Cars



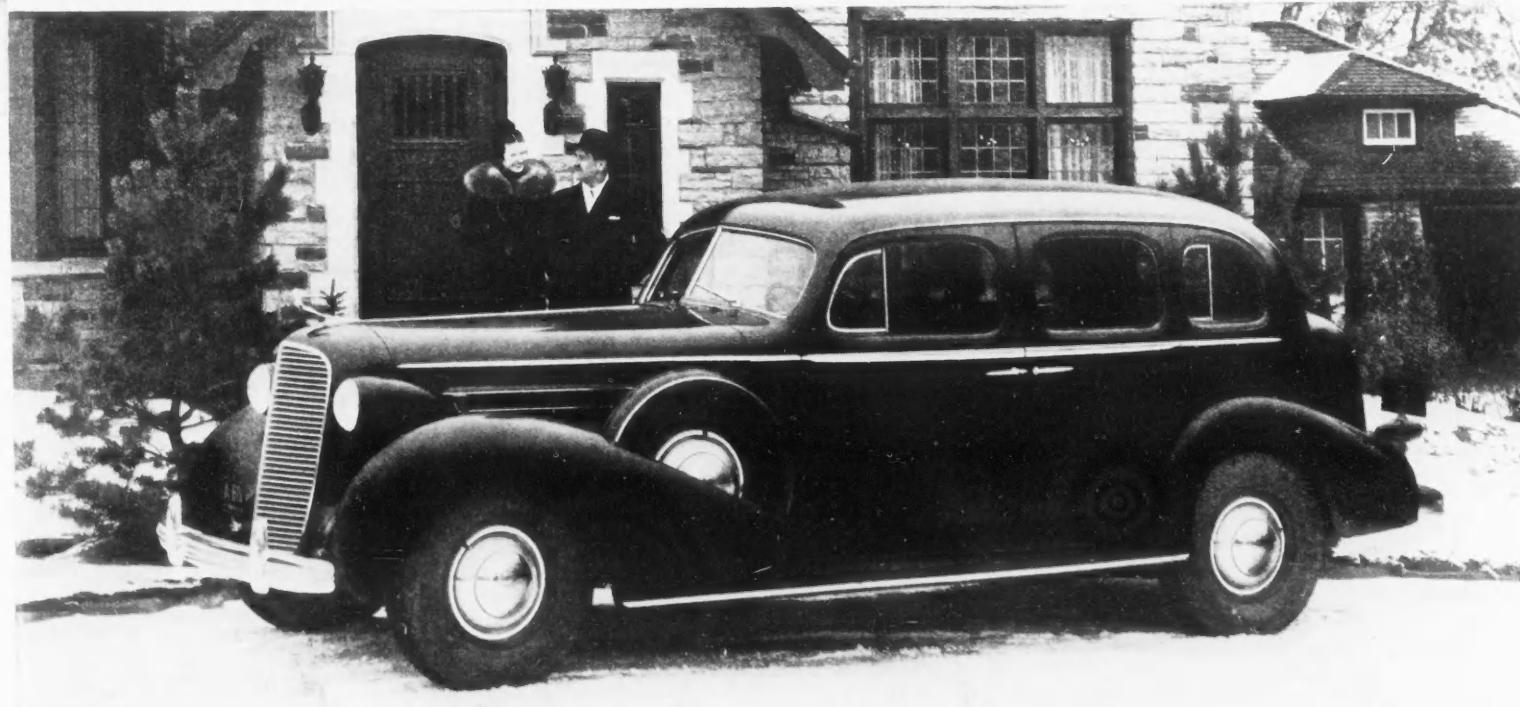
FOR more than a quarter of a century Cadillac has pointed the way to progress for makers of fine cars . . . and the new Cadillacs more than live up to the exacting Cadillac tradition. Furthermore, they are available in the lowest price range since the days of the single-cylinder Cadillac.

The newest Cadillac, Series 60, has been specially built to satisfy the full-grown demand for a somewhat smaller, faster and easier-to-handle Cadillac. Never has there been a more superbly balanced car nor one in which there has been such a happy blending of beauty, dignity, safety, luxurious comfort and brilliant performance.

The 1936 Cadillac-built La Salle is again outstanding for style, beauty and performance in its own price field; and the luxurious Cadillac-Fleetwood cars . . . closest approach to perfection in motor car history . . . are presented in three distinguished series—the V-8, V-12 and V-16.

We sincerely hope that you will take time for a demonstration of your favorite from the royal family of motordom.

Below, the Cadillac-Fleetwood V-12 Seven-Passenger Touring Imperial



THE FILM PARADE

BY MARY LOWREY ROSS

"AH WILDERNESS"

THERE have been plenty of pictures of life at the opening of the present century, many of them sensitively reminiscent and precise. But "Ah Wilderness" is the first one I have ever seen to make you feel that Metro Goldwyn-Mayer had the Time-spirit itself in its employ, rather than any mere paid research staff. Research students could dig up and collate the detail of 1906 from libraries, old snapshot albums, old copies of Butterick's, old school journals, old stereoscopic slides. But where could they recover the actual feeling, tone and gestures of 1906 except from 1906 itself?

"Ah Wilderness" gives you the past perfectly imposed on the present, so that watching it you are likely to feel very much as those two Oxford ladies did, (they were ladies of impeccable British veracity and their experience is sensuously recorded in the annals of the British Society for Psychic Research) who on a sedate visit to Versailles walked suddenly into the latter part of the Eighteenth Century. For those who lived in it, this curious revival of the opening of the twentieth century is even more exciting, because it is filled with a thousand forgotten things which Metro-Goldwyn-Mayer, apparently, have fished up out of universal memory. The three-step, the pyramidal sets with which young ladies used to work crazed patterns on buttonholes, holders, buttonholes, the precocious senior telescopic bags, Peter Thompson salts, chevaline rope hangings, Stanley steamers, and that extraordinary habit young women had of "brushing" their hair in public, as common then as nose-powdering is today.

Christmas Fantasy

A holiday dancing production for children by

Boris Volkoff

3000 Armchair seats to the Auditorium, Toronto

EATON AUDITORIUM

2:30 p.m., Saturday, January 14th
Tickets 50c and 75c, tax included at Box Office or Volkoff Studio, 771 Yonge St.



The Waldorf Point of View

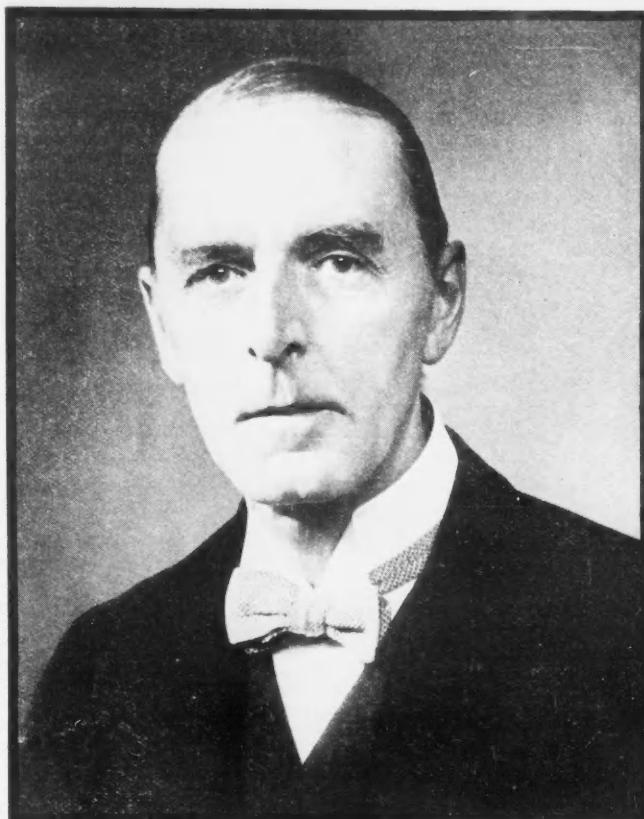
"THE LITTLEST REBEL"

"THE Littlest Rebel" in spite of its rather boxy title proved to be quite as interesting than most of its stage and screen operas, possibly because in this film Shirley was tested most of the time with tap dancer Bill Robinson, and Bill Robinson seems to be the only adult in Hollywood capable of appearing on the same set with Shirley without looking like a cross-eyed, John Wayne, mouse-mimic-eyed, boor. Shirley acts with the greatest possible competence — my coming to the screen Shirley has never been accused before — but she acts entirely too well, speaking out like a little woman in all the sententious situations which adults create for her. However, there isn't much point in going into all that again.

HART HOUSE THEATRE

BY MARGARET LAWRENCE

IT is admittedly difficult to find a key to put on at Christmas time apart from the religious mysteries and givings. The play must suffer and it should also entertain



SIR FRANCIS LLOYD. A portrait of the British Trade Commissioner to Canada.

RADIO DIARY

BY CLARISSA DUFF

The adults, "Wappin' Wharf," by Charles Brooks, presented at the Hart House Theatre under the direction of Nancy Pyper, answers fairly well to the different demands of the season, as well as providing novelty. It is a quaint piece about a prince who went in disguise into a pirate den for the purpose of spying and ridding the coasts of England of buccaneers. It was not a lusty gang of pirates but a cowardly gang who caused ships to be wrecked by putting out the coast lights on dangerous spots and collecting the booty comfortably after it had been washed ashore. These were pirates who deservedly deserved the gibbet of which they were in mortal terror. The prince trapped them all after he had passed through hair-raising ordeals. He met a Duke's daughter in the pirates' hideout and fell in love with her. The pirates all repented. There were songs and lots of rough-house comedy. So the play filled all the demands of the slightly exaggerated excitement-stimulating vehicle for children and at the same time it released the adults from having to feel either mystical or very young.

The action all takes place inside the cabin of the pirates on the coast of Devon. It is pretty much a complete talking action with occasional sounds of private "ows" among the pirates, the disguised prince, the old hag who serves them their grog, and the young, pretty wench who turns out to be a lady of high degree. The first act built up rather slowly and the players had to talk themselves through it with concentrated determination. The two following acts loosened a bit and also speeded up. The direction showed quite a just appraisal of the possibilities of the composition and consistently made the most of the material. The setting was done in subdued rich colors and austere line lines. The sound effects were excellent. In the first act there was an accompaniment of sea sounds, a most realistic hissing of the sea against the rocks, and it made a mocking running comment upon the bragging and scheming of the pirates. The production as it little satire upon pirates which was entertaining as well as suggestively moral. So all the purposes of the season were satisfied.

TUESDAY: Am pleased to find Canadian programs in leading position with respect to originality of ideas. "Black Horse Tavern" is an outstanding example of unusual type of performances most competently presented. Something new has also been evolved in "Ontario Panorama" under the supervision of Howard Lindsay, who has even discovered a novel treatment for the necessary sales talk. In "Forgotten Footsteps" a unique idea has been utilized in the building up of a romantic tale around an object on display at the Royal Ontario Museum. About this weapon, jewel, or whatever it may be, a dramatic sketch is written, its theme centering in situations in which the object chosen might have figured.

Turning to American networks, consider "The March of Time" is the program showing great originality in design and execution. While admiring perfection with which it is presented, have uneasy feeling of being an eavesdropper, and also certain Great-Grandma Stein would be horrified at the thought of my listening in to a broadcast of other people's private affairs. This opinion is evidently not shared by large majority of listeners to radio programs.

Returning to Canada find Radio Commission in "Up to the Minute" also providing its audience with opportunity to glean information about a variety of topics, including items of news taken from many sources. A little bit of everything is to be found in "Up to the Minute." Not being overburdened with patience and having reprehensible habit of looking at the end of a book while ostensibly engaged in reading the first chapters, wish scenes dramatized from recently published novels and films just released gave some hint of final solution, instead of leaving characters enmeshed in difficulties from which they seem to have only the vaguest chance of escape. Musical interludes are provided by Geoffrey Waddington's Orchestra. Am sorry that he and his band of cheerful musicians have not more to do on the program.

WEDNESDAY: Even those who seldom grant a hearing to any radio feature which necessitates mental exertion on the part of its audience would be well advised to listen on Tuesday evenings at six-thirty to "The Broken Arc," a series of short addresses given alternately by Dr. G. Stanley Rutell and by Mr. B. K. Sandwell, Editor of Saturday Night. Understand this new program of the Radio Commission has already attracted a large following. Hope that all Canadians, irrespective of what their views upon theological and economic questions may be, will give thoughtful attention to these quarter hour talks, whose theme is a plea for the drawing together of all mankind in a bond of sympathy and understanding.

THE TORONTO CONSERVATORY OF MUSIC

Principal: SIR ERNEST MacMILLAN, B.A., Mus. Doc., F.R.C.M., F.R.C.O.

Vice-Principal: HEALEY WILLAN, Mus. Doc., F.R.C.O.

MIDWINTER EXAMINATIONS
(Theoretical and Practical)
FEBRUARY, 1936

Latest entry date, Wednesday, January 15th

CONSERVATORY JUBILEE SCHOLARSHIPS

A series of Scholarships, based on a study of the results of the pianoforte practical examinations held in 1935, will be awarded locally in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario. This year Group I and II will form Group A, Groups III and IV, Group B, Groups V and VI, Groups VII and VIII, Groups IX and X. Group I, one award in each group, amounting to \$15.00, \$10.00, \$7.50 and \$5.00 respectively, to be applied towards the cost of the future tuition of the successful candidates.

Address: Cor. College Street and University Avenue, Toronto 2

TRINITY COLLEGE SCHOOL

Founded in 1865
"Tradition and Progress"

JUNIOR SCHOOL
for boys from 9 to 14 years.

SENIOR SCHOOL
for boys from 14 to 18 years.

PORT HOPE, ONTARIO

Five new buildings situated on a hill overlooking Lake Ontario, Macmillan Hall, two Science Laboratories, separate Hospital, large Gymnasium and Swimming Pool, Squash Courts, etc. The playing fields are some twenty acres in extent, and in addition, the School owns a dairy farm of eighty acres and has its own pasteurizing plant.

The course of study has been completely revised and leads to complete preparation for the Ontario and McGill Matriculation examinations and for admission to the Royal Military College. A school leaving course for boys not planning to enter a University will be instituted in September 1936. Regular classes are held in Religious Knowledge, Art, Woodwork, Physical Training, Gymnasium Work, Swimming, etc. Monthly reports are issued.

Three Memorial Scholarships, each of the value of five hundred dollars a year and tenable for three years in the Senior School, or two years in the Junior School, are open for competition each Spring. The School is also fortunate in having nine endowed bursaries, the income from which may be used to reduce the fees of boys who need financial assistance.

The Memorial Junior School Building, which has been closed for two years, will be re-opened in April 1936.

Full information will be sent on request to the Secretary.

Long Term begins on January 8th, 1936.

PHILIP A. C. KETCHUM, M.A. (Cantab.), B.A., B.Ped., (Toronto) Headmaster

Meisterschaft Matriculation College
Established 1889

MEISTERSCHAFT, the "Master System," is the only one of its kind throughout Canada. The shortest method for brilliant students and the surest for backward ones. All individual instruction.

Enrolment from the 2nd to the 10th of January

PRINCIPAL: YONGE & ST. CLAIR
R. G. MC CONOCHIE, M.A., D.P.D., D.Sc. BANK OF COMMERCE CHAMBERS

UPPER CANADA COLLEGE

Memorial Scholarships . . . Upper School

In honour of 'Old Boys' of the College who fell in the Great War, Upper Canada College offers yearly for competition four Scholarships of \$600.00 a year for three years, to candidates who are under fourteen on the 1st September prior to the examination which is held in April.

Bursaries at Preparatory School

Three Bursaries are offered to enable boys to enter the Preparatory School who otherwise could not do so.

For full particulars apply to the Principal,
Upper Canada College, Toronto.

Medicated with ingredients of Vicks VapoRub

FULL 2 1/4 OZ. ONLY 15¢

SHEA'S

VAUDEVILLE TRIUMPHANT!

LITTLE JACK LITTLE
and his orchestra in
"TICKLING THE KEYS"

A melodious stage show full of song, fun and dance.

STARS OVER BROADWAY
Bright lights, music and hilarity.

VAUDEVILLE

ON THE SCREEN
JOE PENNIR — JACK OAKIE
FRANCES LANGFORD
BETTY GRABLE — NED SPARKS
"Collegiate"

What a cast! What a Picture! You'll go Joe College when you see this one!

ON THE STAGE
A JACK ARTHUR
Stage Show

Melody, Mirth and Dancing.

IMPERIAL



MAGISTRATE ON THE BENCH. But P.M. James Edmund Jones of Toronto is as much at home on the organ bench as on the one in the courtroom, and is a leading authority on Anglican hymnody in Canada.

WALDORF ASTORIA

HOMEWOOD SANATORIUM

Occupational Therapy

Occupational therapy is a programme of activities designed to help patients to do, and enjoy a meaningful life with freedom from all unnecessary disabilities. Occupational therapy includes the use of buildings and grounds, classes, and special medical supervision are offered by Homewood in restoring patients suffering from physical and mental health to normal health.

Rates moderate.

Address: Harvey Clare, M.D.
Medical Superintendent,
Homewood Sanatorium, Etobicoke, Ontario

SECTION II

SATURDAY NIGHT

PEOPLE

TRAVEL

FASHION

HOMES

LETTERS

TORONTO, CANADA, JANUARY 4, 1936

PHOTOGRAPHING RUSSIA HAS ITS DIFFICULTIES

BY WILLSON WOODSIDE

GETTING worthwhile photographs in Russia has all the flavor of poaching game in a forbidden preserve. Visitors are invited to bring cameras along, it is true, even movies, but that is done by Intourist on its own, and the news seems never to have been passed along to the Police, the Army or the G.P.U.

It would be idle to expect the amenities of civilization as we have become accustomed to it in a country which is still in the throes of upheaval. In fact, it is just the feeling of being where life is lived without any margin that makes travel in Sovietland so fascinating. A Revolution with its terror and its denunciations naturally leaves the air filled with suspicion—though only artificial stimulation has kept it alive for 20 years. Fear of sabotage and espionage that is near hysteria meets the innocent snap-seeking traveler in the U.S.S.R.

He finds a good part of the country covered by blanket prohibition: frontier points, military or naval centres, bridges and railway stations cannot be taken. All right. But he finds that "military centres" can be enlarged to include the picturesque Kremlin, and the Red Square with Lenin's Mausoleum and the St. Basil's Cathedral, three of the most interesting subjects in Russia.

He discovers that "railway stations" can be spread to take in any pictures on the platform, whether of girl "brakesmen," fellow-passengers, the bazaars, or peasants encamped all around on their mattresses, waiting for a train.

AT DNEPROSTROI it is "Foto nyet!" because of the Dam; at Sevastopol because of the "Fleet." You must not take any picture with a Red Army man or a G.P.U. in it (although the maitly-uniformed traffic policemen seem almost eager to be snapped). You are stopped from snapping homeless waifs, but encouraged to take smiling, marching Young Pioneers.

Photograph a station of the new Moscow Underground, and you may lose your film; take a factory and

THE PICTURES

First row, left. A *moojik* who has stubbornly remained un-collectivized. Right. Preparations in Stalingrad for a sports parade. Typically Russian, three talk while one works. Second row, left. Moscow youngsters, out in the park for the morning with their teacher. They are the best-looking children in Russia. Right. Farm children in school. The schools were long ago taken out of the hands of the pupils and placed under discipline. Third row, left. The milk which these individual peasants offer to train travellers is in vodka bottles. Right. An immense and radically designed new theatre rises at Rostov. Bottom row. The horse steadily gives way to horsepower on the farms.

it may cost you your camera. Everything can be, and is likely to be, prohibited; yet everything can nevertheless be taken. Ignorance of the law may be no excuse, but it can be a great help for the first few days. Hurry and do your snapping before you get a persecution complex.

Never would I have dreamed, as I left Russia, of photographing G.P.U., yet that is what I did first thing on my arrival. I should not now be so foolhardy as to take a great new railway station; yet how gaily I walked up to one on my second day in Kiev, picked my moment, and got the picture. Likewise, tasting a certain flavor of risk, I took things supposedly unfavorable to the regime, such as homeless boys, a church being pulled down, new buildings in premature dilapidation, women laboring at jobs above their strength, and etc. It was really only a little sophomore spirit coming out, but I don't suppose the Russians would have understood that.

Religion is "liquidated" in Russia, but not yet superstition. The camera remains a mysterious, dangerous Black Box to the Russian mind.



—London Letter

"BY GOD AND HIS PEERS"

BY P. O'D

Dec. 16th, 1935.

NATURALLY the thing almost everyone is talking about just now is the Abyssinian Peace Plan—or Partition Plan, if you prefer it that way. At any rate, that is what it amounts to. And the general verdict is undoubtedly "against the Government". It is felt that a bad blunder has been committed. Peace does not seem to have been brought any nearer; and the good faith of this country has become seriously suspect. It is the suspicion that hurts most. An Englishman may occasionally play an ace out of his sleeve, but he is genuinely grieved that people should think him capable of it.

No doubt, the Government had good sound reason for their decision to back up the Haile-Laval scheme—better reasons, possibly, than they can at present explain to the world at large. There may be dangers of an extension of the conflict which would involve most of Europe, especially if the much-discussed oil-sanctions were imposed. But it is one thing to soft-pedal oil-sanctions—or even to go into reverse on them—and quite another to hand over to the Italians much more of Abyssinia than they seem likely to be able to conquer.

Besides, cynical and observant persons have been quick to point out that the half of their country left to the Abyssinians is the half that contains

make certain changes in this ancient legal institution which had outlived its usefulness.

The likelihood seems to be that it will be abolished entirely, or limited to the trial of cases of such dignity as high treason. As the last cases tried there for high treason were those of the Jacobite lords after the rebellion of Bonnie Prince Charlie in 1745, this would amount to practical abolition. Whatever forms of wickedness members of the Peerage still continue to indulge in, high treason has long since ceased to be one of them.

We are no more likely to see one tried for it, than we are to see him beheaded on Tower Hill.

LOST ON THE MOORS

PEOPLE are so apt to think of England as a very small and very crowded country, that it comes as a bit of a shock to realize that it is still possible to get lost in some of the more lonely parts of it, and to stay lost for days, in spite of the efforts of search parties. You might imagine that no one could walk for more than a mile or two in any direction without coming on a row of bungalows or one of the new motorway highways. But it can be done.

Three young ladies started out last week to walk across a corner of the Yorkshire moors. Snow came on, and they lost their way. The marvel is

that was so well, and with such freshness of imagination, that orders became more and more numerous, and better and better paid. And then one day the Rev. "Pat" McCormick, the successor to the Rev. "Dick" Sheppard at St. Martin-in-the-Fields, invited them to do the costumes and setting for a Nativity play he was putting on. He set a limit of £50 — it probably seemed to them a good deal of money just then.

That was a bit of luck. But an even bigger bit of luck was a chance meeting—oh, well, we are told it was a chance meeting—with young Mr. John Gielgud, who was engaged in producing "Romeo and Juliet" for the Oxford University Dramatic Society. He gave them the order for the dresses, and those dresses were almost the biggest hit of the whole production. Distinguished critics used whole rows of superlatives about them, and "Motley, Limited", became famous.

Since then they have done the settings and costumes for all Gielgud's productions, the costumes for Sydney Carroll's "Midsummer Night's Dream" in Regent's Park, for the Drury Lane "Ball at the Savoy", and for dozens of other productions, including a number of films. They have taken a famous old yard just off St. Martin's Lane, with an ancient granary in which Chippendale once had his workshop. In it they have installed their studio, and almost any day you can see well-known actors and actresses and managers picking their way across the cobbles to consult with them. Their studio, in fact, has grown so big and so busy as to be almost a factory.

Not bad that, for three young women who, only four years ago, were studying art like all the hundreds you see wandering about the side-streets of Chelsea with portfolios under their arms. It shows what can be done, against even heavy odds, with brain and energy and an idea.

• • •
TRAVELERS

Miss Norah Whitney, daughter of the late Sir James Whitney, is at the "Madonna" in Toronto.

Sir Herbert Holt, Montreal, has joined Lady Holt at the winter residence in Nassau for the holiday season.

Mrs. Charles Cansell has returned to Montreal from a visit with her mother, Mrs. Thomas, in Vancouver, B.C.

Miss Mildred H. Reechling, Lady Principal of Edgehill, Windsor, Nova Scotia, will be in Toronto for the meeting of the Head Mistresses' Association, the guest of Miss Wood, Havergal College, and afterwards of Mrs. R. H. Merry, Oak Forest Hill Road.

Mr. and Mrs. E. L. Cousins, of Toronto, and a party of friends spent the holiday season at the Seigniorie Club, Quebec.

THIS IS NOT IL DUCE. Possibly it looks like him, but it is really Frank Vesper in his clever make-up as Benito Mussolini in "These Mortals" at the Aldwych Theatre, London.

Lake Tana and the watershed of the Blue Nile—the only area which Great Britain has a direct interest in keeping out of Italian hands. It is so happy an accident that it seems hardly accidental.

In the meantime, Sir Samuel Hoare is hurrying home from Switzerland—broken nose and all—to face the music. Mr. Eden is already back, looking rather anxious and gloomy for so very suave and debonair a gentleman. And there is to be a full-dress debate on the business this week in the House of Commons. Perhaps we will learn all about it. And then again, and more probably, perhaps we won't. Truth can be a dangerous commodity. There are times when it should be used with caution.

"BY GOD AND HIS PEERS"

YOUNG Lord De Clifford was tried last week—"by God and by his peers", as the ancient formula runs—in the Royal Gallery of the House of Lords. About a hundred peers were present in their robes of state, all scarlet and gold and ermine, complete with cocked hats. Lord Hailsham, the Chancellor, was by royal proclamation constituted Lord High Steward of the Kingdom. His Majesty "very much confiding" in him. A long white wand was given to him as his symbol of office, and then ceremoniously broken at the end of the proceedings. And all this for the trial of one young gentleman in a motorcar, who had accidentally run into another young gentleman in a motorcar, and so killed him!

Incidentally this pageant of justice is said to have cost somewhere in the neighborhood of £10,000. It was very impressive and mediaeval, and also, under the circumstances, more than a little absurd. It brought back memories of the Plantagenets, coupled with memories of "Alice in Wonderland", and quite a few from Hollywood.

The privileged persons who were present at this amazing trial did well to take advantage of the opportunity. It will probably be the last. On the reassembly of the House of Lords the Lord Chancellor himself suggested that their Lordships might see fit to

MOTLEY, LIMITED

MENTION of three young ladies who lost their way reminds me in the absurd manner in which things remind one of other things which have nothing at all to do with them of three young ladies who have found their way, not in the wild moorland of Yorkshire, but in the theatrical wilderness of London. They mapped out a quite original path for themselves, and they are following it with the most astonishing success.

Four years ago they were students in a Cheltenham school, two sisters and a friend. Among their enthusiasms was a passion for the stage. But they had no desire to be actresses—or, if they had, they curbed it. What they decided to be were stage-designers, to make costumes and scenery and decorations, and to make them in the simplest and most striking and modern way. And they thought of a very good name for themselves. They called themselves "Motley, Limited".

Naturally their beginnings were very humble. They did any sort of job that came along—fancy dresses, masks, painted furniture, magazine illustrations, posters—but they did



BUT THIS IS... Benito Mussolini as Farmer.



CANADA CLUB DINNER TO NEW HIGH COMMISSIONER. Left to right: Stanley Long, M.C., Lord Halifax, Archbishop of Canterbury, the Hon. Vincent Massey, and Sir Edward Peacock.

—Photo courtesy "Canada's Weekly"

A LITTLE CHILD SHALL LEAD THEM

BY PERCY JACOBSON

MIRACLES do happen. No? O yes, they do. One occurred in Montreal very recently.

To be specific. On the evening of December 5, 1935, between the hours of eight and eleven, about four hundred persons and two gentlemen of the press witnessed the marvel.

A group of high school children (beg pardon, young ladies and young gentlemen) produced a Shakespearean tragedy with clarity, dexterity and compelling beauty that held the audience under a spell of rare delight for three solid hours.

Hyperbole? No. Understatement? Yes. Witness the extravagant praise heaped on these youngsters by the two aforementioned critics. In their columns the following day, These gentlemen, with a reputation for being more just than kind to amateur performers, told their amazed readers almost breathlessly about an epoch-making production of a great play done by a group of suburban high school students. One critic went so far as to say that it was the best performance seen in Montreal for ten years. Professional travelling companies were not ruled out in this contest for first place.

Isn't that a miracle?

The play was "Romeo and Juliet".

"Romeo and Juliet" think of it. A play that in many respects is the most difficult one of the Master Dramatist's to put over without creating amusement in the wrong spots. These students tackled it without woe, without fear. They put in it just sheer joy in the telling of a grand story, and they told it beautifully.

Imagine eighteen scenes with no more than a few minutes' wait between any two of them.

Imagine an amateur production without mishap or a missed cue. Sure, that alone is enough to qualify as a miracle.

Imagine the joy of lovely lines declaimed so that every word is clearly audible.

Imagine an illusion of spaciousness created on a shallow stage that is little more than a school platform.

Imagine costumes, although home-made, with a color scheme and design suitable to the richness of the period.

Imagine lighting that could create a dawn, a real dawn of genuine poetic beauty, lighting that played no tricks and never failed to be itself up to the mood of the moment.

Imagine a Shakespearean performance with even the minor roles filled in such a manner as to carry conviction.

Imagine a Romeo and Juliet scene with the spirit and fire of youth, with the desire to look at detail, to listen and able to translate to music and give a sense of their meaning, drama.

Far, far too inadequate are my words to do justice to the imagination of these young people.

Imagine an amateur production without mishap or a missed cue. Sure, that alone is enough to qualify as a miracle.

Imagine the joy of lovely lines declaimed so that every word is clearly audible.

Imagine an illusion of spaciousness created on a shallow stage that is little more than a school platform.

Imagine costumes, although home-made, with a color scheme and design suitable to the richness of the period.

Imagine lighting that could create a dawn, a real dawn of genuine poetic beauty, lighting that played no tricks and never failed to be itself up to the mood of the moment.

Imagine a Shakespearean performance with even the minor roles filled in such a manner as to carry conviction.

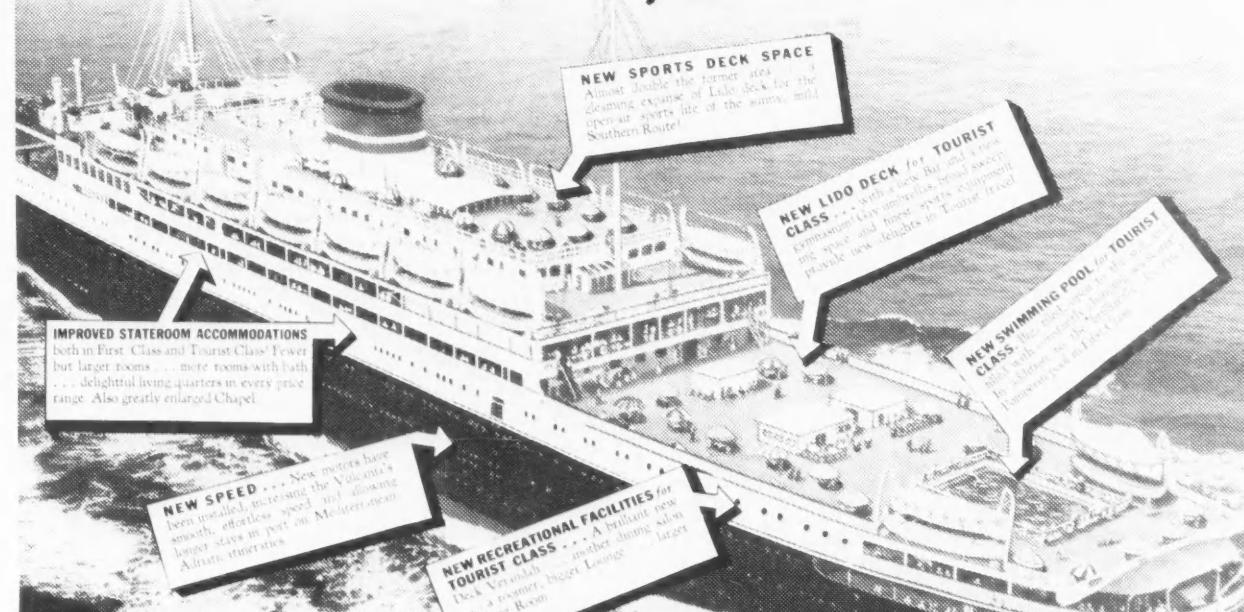
Maybe, maybe, but we have the feeling that the young people of Montreal have indeed created a bona fide miracle.

Mr. Charles Hartman, of the Westinghouse Corporation, who has not yet met the young people, was such a natural upholder. He said, "I say success was entirely due to the happy combination of imagination and aptitude, and I am sure that the material to hand does not help. I might say that months of hard, hard work, of effort, of research, study and hard work, and a lot of luck, all contributed to this success."

Maybe, maybe, but we have the feeling that the young people of Montreal have indeed created a bona fide miracle.

ENTER...the Newly Remodeled VULCANIA

*Bringing New Luster to the
Sunny Southern Route*



New fame for the famous Cosulich liner! Newly remodeled...renovated...repowered...redesigned...the Vulcania will amaze her friends—and win hosts of new ones when they inspect her many remarkable facilities! On your next European trip, be among the first to enjoy the Vulcania...the Italian Line's latest achievement in modern transportation!

APPLY TRAVEL AGENT OR:

ITALIAN LINE LTD.

1135 BEAVER HILL HILL
MONTREAL
H.A. 3251

159 BAY ST.
TORONTO
EL. 1706

ITALIAN LINE

Next "Vulcania" Sailing

JAN. 11 from NEW YORK

from BOSTON JAN. 12

MEDITERRANEAN—ADRIATIC ITINERARY

To Azores, Lisbon, Gibraltar, Algiers, Palermo, Naples, Patti, Ragusa, Trapani. Shore Excursions.

Also the "Vulcania" makes two

MEDITERRANEAN CRUISES

including the HOLY LAND and EGYPT.

Feb. 15—33 DAYS—First Class \$425 up

Second Class \$260 up

Mar. 21—40 DAYS—First Class \$510 up

Second Class \$290 up

Ack for illustrations

THE DISTAFF SIDE

BY MARIE CLAIRE

WE TOOK only one book away with us on our Christmas holiday expedition. Ski boots, dress clothes, soft tissue wrapped packages and books seemed just too hard a battle for one who is a weak packer anyhow. Confidence in our host's modern library was not, however, misplaced and our own volume proved a winner. Any time we had for reading was well supplied.

You will, we think, enjoy E. F. Benson's "Queen Victoria," granted that you enjoy biography at all. It is difficult to suggest, without sounding uppish, that biography is possibly a cultivated taste, though it may be true.

This is not a debunking effort, sacrificing historical friends to a *bon mot*, or turning the withering Klieg light of ridicule on well-known situations. To the careful student of Victoriana it will probably not contain much new information, either. To others, like myself, it will present a very vivid picture of a great woman whose weaknesses were no more a secret to herself than they are to historians.

We found the early chapters particularly entertaining and the Germanic ramifications of the house of Windsor presented with a beautiful clarity, even to our slow brain. From childhood, through girlhood and ecstatic wifedom, Victoria emerges complete and individual. Her relations with her Ministers—particularly with Melbourne and Disraeli—are sketched with singular charm. In fact a shrewd generosity is characteristic of the whole presentation.

The quotations from her amazing letters and despatches, particularly to her Ministers, are chosen with an eye to their interest for the reader in themselves, as well as evidence of the Queen's character. This one, filled as usual with her adored Italics, we thought particularly pleasing: The Prince of Wales (later Edward VII) was inclined when they were alone together to treat his nephew, the newly-crowned Kaiser, rather as a nephew than an Emperor, of which the Kaiser complained to Bismarck. The story got round to Victoria who at once wrote to Lord Salisbury in her firmest style: "This is really too vulgar and too absurd as well as untrue, almost to be believed. We have always been very intimate with our grandson and nephew and to pretend that he is to be treated in *private* as well as in public as 'His Imperial Majesty' is perfect madness. If he has such notions he had better never come here. The Queen will not swallow this affront." Hurrah for our side! This book is a delightful study of a grand woman.

LOOK at people's cars, Mother used to say, they are a sure indication of their breeding. We have spent a lot of time since wondering about the invariable perfection of cars on negro porters on Pullman cars. Look at people's feet was Father's admonition, they are a sure evidence of their character. We are still an utter flop as a character reader, but we have learned a lot about shoes. Shoes, in fact, are one of our *specialties*.

One of a series of talks on *Plans for Tomorrow*, sponsored by the B.B.C. in England and published in their own weekly, is a fascinating description of a social experiment in Czechoslovakia having to do with shoes.

The Bata Shoe Company experiment in the little town of Zlin in Moravia, 150 miles south of Prague, the capital of Czechoslovakia, differs from the various Russian social experiments we hear so much about in that it is a capitalist experiment, not a communist one. Zlin used to be a poverty-stricken little village; it is now a thriving town of 22,000 people—all of them employed, all highly paid.

For 300 years the Bata family have been making shoes in this very area—generations of village cobblers in Zlin. In 1894 the head of the family risked all his savings (\$200) in setting up a business of his own. Ten years later he built a small factory. Last year Bata's produced 45 million pairs of boots and shoes. They are now not only producers, they are retailers—every Czech village has a Bata shop which also sells motor tires. (To buy rubber for shoes cheaply they

had to buy in quantity, so they make tires, too.)

The workers do a 40-hour week—all day Saturday and Sunday off all the year round. There is a high minimum wage which nobody gets. Every fact and figure concerning everybody's wages, production, costs, sale prices, expenses, profits and so on are available to all. Excess profits go back into the firm—and are divided as savings among the employees—some of whom are Czech millionaires already. The employees live in houses built by the firm with every sort of modern gadget, for roughly 55 cents a week. The factories are as up-to-date as the houses, with special rooms for employees with any physical disability, which in the ordinary way would prevent their working, but which with Bata, simply means they are given specially adjusted work. Among them are twenty-seven totally blind, earning a full salary.

The work admittedly is done mechanically and has to stand up to the charge of monotony, but the Czechs don't seem to mind that. There has been no Depression in Zlin. They call it "The Town the Stump Forgot." We get a lot of Zlin shoes out here. You probably wore some last summer and I wouldn't be a bit surprised if your present overshoes aren't made by Bata. There will be more Bata sandals around next summer. They are cheap and they look pretty. What if they don't fit like a glove, or wear like iron? As the youngster said when told drinking sea water would make him thirsty, "Well—there's plenty more."

SAD little stories are constantly being brought to our attention. A friend of ours whose name is not Edward, came into the office the other day, very depressed, and told us this one. The wife of a friend of his had died a few days before—a woman he had known only by hearsay—but it had all reacted very unfavorably on him. Hearing the sad news on the day of the funeral and wishing to do the right and amicable thing, he had rushed out to the nearest florist which chanced to be the flower department of one of the bigger shops, and ordered a well-chosen spray to be assembled and sent to his friend with a sympathetic message inscribed on his own card. From outside sources he learned of its arrival and reception. Instead of one card there were three enclosed. The first had a fine pre-Christmas holly wreath on it and read, "Kindly water this plant plentifully." The second said, "To my own darling wife from her Edward." Reproved, the shop was all anxiety to sent another spray the next day with a correctly worded apology. The deceased wife's husband is still being very stuffy about it, though.

ABOUT FOOD

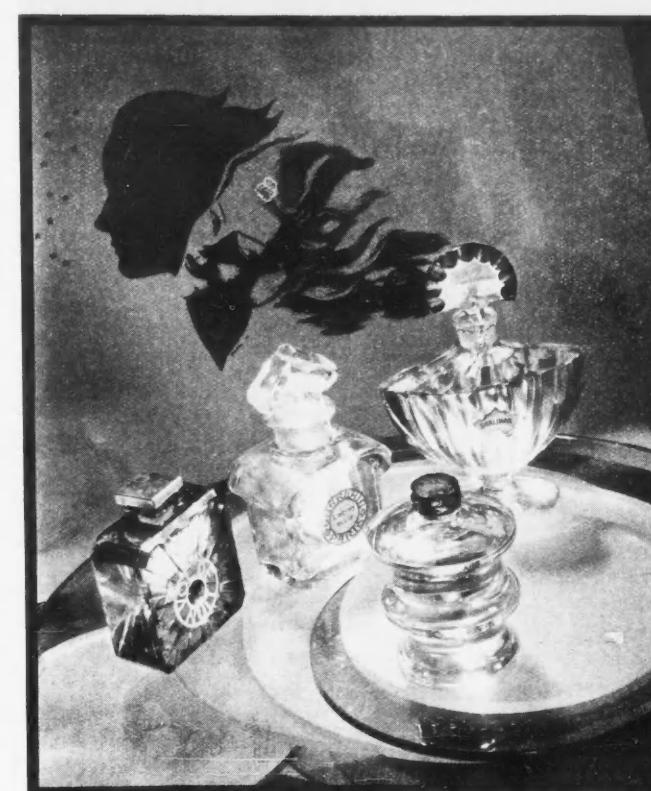
BY CYNTHIA BROWN

THE lancer that settles down on a lot of nice people, including your correspondent, about Twelfth Night usually includes a strong distaste for rich food.

Without, I hope, too conspicuously sinking the *gourmet* who appreciates food in the *gourmand* who simply wolfs it—we have all put away a surprising amount of material since Christmas. I often wonder what it would all look like together were it lined up on trays—all the portions of breakfasts, luncheons, teas and dinners to be eaten by one normally social person would be quite a startling sight, I imagine. Probably put one's appetite off a bit, too.

To begin the New Year, how about our concentrating on a few of what are known as "basic recipes"? You know—the sort of things you expect the new cook to have under her hat when she arrives and which she so seldom if ever does.

The brilliance (?) of this idea for food articles occurred to me today as I sat wishing I hadn't eaten such a good luncheon and turning the pages of "What Shall We Have Today?" by X. Marcel Boulestin. Without his aid



CONCEIVED BY GUERLAIN. "Vol-de-Nuit", for the elegant; "Shalimar", for the romantic; "L'Heure Bleue", for the pensive; "Sous-le-Vent", for the tropical.

I had already decided to have nothing further myself than a little baking soda in warm water, when I came upon his chapter on omelettes. I had forgotten how fiercely M. Boulestin feels about culinary artistic errors, bad omelettes among others. He's a man you should read.

There has only been one period in my chequered housekeeping career when I've had a cook who could make a good omelette and I like to remember that I made hay while the sun shone. I ate an omelette of a different variety practically every day and profited by it. (I cannot assure you it accounts entirely for my extraordinarily fine mathematical brain, but doubtless it had a lot to do with it.) Mrs. Peel was grim and raw-boned and utterly English and her omelettes were entirely French. She came to me—I've often wondered why from a famous English actress to whom she had been dresser, cook and confidential adviser. Her stories of life in an actress' flat and dressing room were as enchanting as her omelettes. I only wish I had paid as much attention to one as the other. I need never have wanted "topics" for the rest of my life. But how could I tell life was going to get so dull?

M. Boulestin agrees there is nothing harder to describe than the proper making of an omelette. But since he tries it, so shall I, quoting him wherever I like. "These few rules, if faithfully followed, will in time lead to satisfactory results," he declares darkly. "Cheer up—I don't think it's as bad as that."

All so-called "English" theories about omelette-making are wet. Ignore them. There is, culturally speaking, no such thing as a "fluffy" omelette. The whites and the yolks of eggs are not beaten separately; there is no water, cream or milk added to the mixture. An omelette has no business being "light as a feather." It may be a very good dish so, but it is not an omelette.

You must have a thick frying pan and a hot fire. A thin steel pan is no use at all, a slow fire is fatal. You should, though of course you won't, keep the pan entirely for omelettes. I use a heavy cast iron frying pan even on an electric stove—which goes to show Job had no corner on patience. The pan must be terribly hot before the omelette mixture goes in. So hot indeed that the stuff could be cooked in it off the fire in a few seconds. Boulestin says experienced chefs do it that way off the fire without using a fork at all, simply manipulating the pan and shaking it so skillfully the omelette falls on the plate beautifully folded, soft, firm, yet not one speck browned. You had better join me in using a fork.

Start with two eggs for each person, and don't beat them and let them stand for an hour before making your omelette—they must be beaten, cooked, and served within a couple of minutes. Beat them with a fork, not a wooden beater. They must be whipped lightly and not too much. Season them well, and, as for the best scrambled eggs you must *not* add milk, water or cream; the mixture is seasoned eggs alone in either case. The difference lies in the cooking. Scrambled eggs should take five full minutes, an omelette as many seconds.

Put a piece of butter in the hot pan; it should smoke at once and almost catch fire. Pour in the eggs which start cooking immediately, so don't lose a second in stirring them vigorously, passing the fork under them and all round—gathering them up, as it were. Keep shaking them and when they are not quite, but nearly dry, fold them over, hold a hot dish close to the pan and let the thing slip out onto it . . .

Remember that speed and heat are indispensable—that it is much better to have the thing a little underdone and wet, than flat, leathery and crusty. This, then, is the basic principle. The variations exist only in the fillings, or the surroundings, which can be practically anything your little hearts desire. Crabapple jelly put on in spoonfuls just before you fold the thing in the pan has great charm for many, though it leaves me grumpy. Chopped fried mushrooms are grand, and chopped, cooked bacon nearly as good. Green peppers are extremely good, and so are potatoes cut in tiny cubes—both naturally are cooked before adding to the eggs. Drained, tinned tomatoes and a small amount of chopped garlic give a good Italian touch—if you are careful not to overload the garlic it will only be a touch not an atmosphere. Chopped parsley and any other herbs you fancy are hard to beat. Chopped spring onions can be



The Vacation you've dreamed of AT THE Inverurie and CEDAR LODGE Bermuda



Inverurie offers superior rooms (all outside rooms) and suites, delicious cuisine, irreproachable service and all sports facilities, including golf on Belmont's 18-hole championship course.

For bookings, booklets and information, address your Travel Agent or
J. Edward Connolly, Manager,
Inverurie, Bermuda

"ON THE WATER'S EDGE"
IN CONNECTION WITH BELMONT MANOR, BERMUDA



THE FRAGRANCE OF SWEET LAVENDER is especially refreshing in the bath, and its devotees will be especially appreciative of this Potter & Moore Mitcham Lavender set containing liquid bath salts, powder and cologne. Also shown is the "Crépact", a make-up which has the properties of a foundation cream and powder.

Be sure to get your money's worth

It's your money. You've earned it. It will be spent. For fuel, clothes, furniture, food, all sorts of necessities . . . and if there's any left, for luxuries.

The way to make that hard-earned money go farthest is to purchase products of *certain value*. Products backed by well-known manufacturers. Products that are widely bought and used, that are carefully and painstakingly kept to high standards of quality, and that have been found over and over again to give full worth. Advertised products!

When you buy a watch or a rake, a set of china or a radio set that is advertised in this paper, you are buying a product whose maker is willing to talk about it, tell about it, put what he knows about it in print and sign his name to it. When you buy advertised merchandise by name, you get the utmost of purchasing value from every dollar.

Because it doesn't pay to advertise poor products,
it does pay to buy those advertised.

son has issued invitations for a tea the week before Christmas and New Year's. The same day Mrs. Conrad S. Riley is entertaining at a luncheon complimentary to Mrs. M. E. Nichols and Mrs. Etherington. And so it goes—the re-union of the East and West for Yuletide cheer and auld lang syne.

—GARRY.

SAINT JOHN

MRS. HENRY NIEBUHR STETSON and Miss Jean Franklin Stetson issued invitations for a dance at "The Grove," Rothesay, the residence of Mrs. Stetson's father, Major-General Hugh H. McLellan, for December 27, and that is certain to be a gala party. The annual Christmas dance of the Lady Moira Ponsonby Chapter at the Admiral Beatty is always enjoyable and the New Year's Eve Military Ball given by the colonel and officers of the Saint John Fusiliers is a traditional event at the Armories. This year Lieutenant-Colonel H. F. Morrissey and officers of the 3rd N.B. Medium Brigade will also be hosts at a New Year's dance at the Union Club.

Mr. Justice and Mrs. Leonard P. D. Tilley have issued invitations for the marriage of their daughter, Margaret Tremaine, to Captain Francis Ronald Lambert Mears, of the King's Own Royal Regiment, on Tuesday, December 31, at 3:30 o'clock at St. John's (Stone) Church, and for a reception afterwards at their residence, Carlton House, Germain Street. Of course Miss Tilley is being much entertained by her many friends. Mrs. James V. Russell, was one of those giving a charmingly arranged tea in Miss Tilley's honor. Mrs. Walter C. Allison, Mrs. Leonard Tilley, Mrs. Kenneth L. Campbell and Mrs. Frederic R. Taylor presiding over the tea cups. Mr. and Mrs. Campbell MacKay, Rothesay, also entertained recently in honor of Miss Tilley. The guests were Miss Tilley and Mrs. D. L. MacLaren, Mr. and Mrs. E. B. Harley, Mr. and Mrs. Percival Streeter, Mr. and Mrs. James V. Russell, Mr. and Mrs. C. C. Kirby, Mr. and Mrs. Gerald G. Andlin, Mrs. Frederic R. Taylor, Miss Barbara Jack, Miss Audrey MacLeod, Mr. F. S. Crosby, Mr. C. Martin Merritt, Mr. D. C. Skinner and Victor S. Crosby.



MISS ELIZABETH THORBURN, debutante daughter of Mr. and Mrs. W. H. Thorburn, Toronto, and granddaughter of Mrs. R. T. Goady, of Toronto.

—Photo by Abdy & Crippen.

Mrs. A. S. W. White was also another hostess for Miss Tilley. Mrs. J. D. McLean gave a delightfully arranged reception at her home on Mount Pleasant Avenue. The spacious drawing rooms and halls were decorated with pine and barberry and lighted by red candles in silver candlesticks. In the dining-room a silver basket of red roses and narcissi effectively centred the table, which was lighted by red candles in silver candlesticks. A beautiful antique silver candelabrum lighted with matching tapers also cast a soft glow from the sideboard. Mrs. Howard P. Robinson and Mrs. A. Neil McLean presided for the first hour, and during the second hour Mrs. R. Hugh Bruce and Mrs. Walter C. Allison, pourers of tea and coffee. Mrs. A. N. Carter and Mrs. R. F. Wright ushered the guests to the dining-room where Mrs. James McMurray, Mrs. F. T. Palfrey, Mrs. D. W. Ledingham, Mrs. George W. Ramsay, Mrs. James V. Russell, Mrs. Joseph R. Allison, Miss Doris McKenna, Miss Margaret Tilley and Miss Frances Frith assisted in serving.

Mrs. Bayard Manzer entertained after the other afternoon in honor of Mrs. John P. Simon, who sailed today with her husband, Major Simon, aboard the C.P.S. "Duchess of Atholl" to spend Christmas with relatives in

England. Among the travelers, Mrs. Howard P. Robinson has returned to Saint John from Winnipeg where she has been visiting her sisters, Mrs. R. S. Hurlburt and Mrs. J. S. DeLury. The marriage was quietly solemnized in St. Paul's (Valley) Church, of Miss I. Jean Fenton, third daughter of Mrs. W. L. Fenton and the late Mr. Fenton, of Saint John, to Mr. Oliver T. H. Cromwell, of Cookshire, P.Q. Among those who entertained for Mrs. Cromwell prior to her marriage were Mr. and Mrs. Thomas A. McAvity, Mrs. Sidney M. Jones, Mrs. Arthur F. Rankine, Mrs. F. S. Tilton, and Mrs. Kenneth J. Campbell.

Miss Margaret Smith, whose marriage to Mr. Nelson Rattenbury, Jr., of Charlottetown, P.E.I., recently took place in St. David's Church, was in the last few weeks honored by the following hostesses: Mrs. H. Fielding Rankine, Mrs. R. H. Paterson, Mrs. F. E. Williams, Mrs. George P. Hamm, Mrs. Kenneth L. Campbell, Mrs. James V. Russell, Mrs. Hugh S. Gregory, Mrs. C. Allan Beattley, Mrs. A. F. Blaize and the Misses Elfen and Hugh Gregory.

One of the largest and prettiest weddings of the winter took place several weeks ago when Miss Mary Elise Gilbert, younger daughter of Mr. and Mrs. Walter Gilbert, was married to Graham MacLeod, son of Mr. J. R. MacLeod and the late Mrs. MacLeod, of Halifax.

The bride was wearing a lovely gown of white transparent velvet with veil of ivory tulle from a Juliet can of seed pearls. A second veil of exquisite Pointe de Venise lace, a family heirloom, finished in a point over her train. A string of seed pearls was her only ornament and she carried a cascade bouquet of lilies-of-the-valley and boccaia with a sprig of traditional white heather.

Mrs. Charles Herbert Little, matron of honor, Toronto, and Miss Frances Frith, of Rothesay, bridesmaid, were gowned alike in gowns of tea rose satin. Girdles of tobacco brown velvet and short jackets of satin completed their costumes, and their hats were small models of brown corded velvet with brims of starched tea rose net. They carried bouquets of talisman roses.

Mr. MacLeod's groomsman was J. Morris Robinson, of Rothesay, Walter V. V. Foster, of Rothesay, and F. Eric Merchant, of Halifax, were ushers.

Mrs. Gilbert, mother of the bride, was gowned in an imported model of grape-stone crepe and lace, the pattern of the lace outlined in silver thread, a velvet hat and a corsage of ophelia roses.

Miss Edith MacLeod, of Halifax, aunt of the bridegroom, wore a French gown of black crepe and satin with matching hat and corsage of orchids.

Mrs. Temple H. Lane, Bedford, N.S., sister of the bride, wore an ensemble of black chiffon velvet with silver fox.

Mrs. S. S. de Forest, grandmother of the bride, was gowned in black crepe, the sleeves embroidered in white.

Following the ceremony a reception was held at the residence of the Misses Gilbert, aunts of the bride, where chrysanthemums effectively decorated the drawing rooms and halls. In the dining-room the bride's table, covered with a beautiful lace cloth, was centred by a three-tiered wedding cake. Miss Edith Gilbert and Mrs. H. Russell Sturdee presided over the tea and coffee cups.

Later Mr. and Mrs. MacLeod left for a wedding trip to Upper Canada and on their return they will reside in Halifax.

Among out-of-town guests were Miss Edith MacLeod, Miss Margaret MacLeod, Mr. and Mrs. Pearson McCurdy, F. Eric Merchant, all of Halifax, Mrs. Temple H. Lane, Bedford, N.S., Mr. Cecil R. Thompson, Wolfville, N.S., and Mrs. Charles Herbert Little, of Toronto.

ATLANTA.

MARRIAGES

THE marriage of Miss Estelle Ridout, only daughter of Major-General Sir Dudley and Lady Ridout, of Richmond, Surrey, England, granddaughter of the late Colonel Ridout, of Kingston, Ontario, and niece of the late Mrs. Neilson, of Quebec, to Mr. Harold Ralph Finch Mason, son of Colonel and Mrs. Walter Mason, Eversley Cross House, Eversley, took place in England, on December 7th, at St. Peter's Church, London.

THE marriage of Margaret Talbot, daughter of Archbishop Matheson, formerly Primate of All Canada, and Mrs. Matheson, of Winnipeg, to Dr. Edmund Henry Botterell, son of the late J. E. Botterell and of Mrs. Botterell, of Winnipeg, took place at Christ Church Cathedral, Montreal, the Very Rev. Arthur Carlisle, Dean

of the cathedral, officiating.

The Misses Lena and Muriel Galt, of Victoria, B.C., are spending six weeks in Mexico.

Mr. and Mrs. A. W. Bishop and Miss Audrey Bishop have returned to Montreal from a trip abroad.



THE WEDDING PARTY when Miss Peggy Rogers, elder daughter of the late Lt.-Colonel R. Percy Rogers and Mrs. Rogers, of Woodstock, was married to Mr. Robert Douglas Jennings, eldest son of Mr. and Mrs. John Jennings, Toronto. Left to right: Mr. William Jennings, Miss Phyllis Rogers, Mr. Hugh Jones, Miss Nora Rogers, the groom, the bride, Miss Margaret Lambe, Toronto, Mr. Ted Gallagher, Toronto, Mrs. Jas. Little, Mr. Kenneth Morden, Toronto, and Mr. Ian Jennings.

—Photo by Harbord.



AN EXCLUSIVE PICTURE OF THE WEDDING-PARTY when Miss Katherine Kenrick, daughter of Professor and Mrs. Frank Kenrick, of Toronto, was married to Mr. Charles Malthy Wells, son of Mr. and Mrs. S. R. Wells, of Felmersham Grange, near Bedford, England. The bridesmaids were Miss Mary Wells, Miss Betty McMillan, Miss Olwen Owen, and on the left of bride, the maid-of-honor, Miss Joyce Wood. The best man was Mr. George Wells, and the ushers were Mr. Harry Dowson, Mr. Hewson Knight, Mr. John Acheson, and Mr. Bob Battye.

—Photo by Abdy & Crippen.

The Hon. Hazel and the Hon. Peggy Shaughnessy, of Montreal, were in Quebec for the dance given by Mrs. John Bremner at the Chateau Frontenac.

Mr. and Mrs. M. E. Nichols are leaving Winnipeg shortly to take up residence in Vancouver, B.C.

Mr. and Mrs. W. F. Angus, of Montreal, spent the holiday season at the Seligmann Club, Que.

Mr. and Mrs. Herbert Clegg, of "Garter's Cott," Burlington, are the guests of Mr. and Mrs. Colin Bremner, of Breakeyville, Que.

Mr. Crawford Gordon and his two sons, Mr. Crawford Gordon and Mr. William Gordon, of London, England, are spending some time at the Alexandra Palace, University Avenue, Toronto.

UNMARRIED WOMEN ARE QUEER

BY CLARA BERNHARDT

*Editor's Note.—Some time ago in these columns Miss Bernhardt discussed the queenliness of married women. Now, to show that she is not prejudiced, she discusses the queenliness of unmarried women. *Imperialist* continues to go no further.*

UNMARRIED women are queer. Not as queer as married ones, perhaps, but queer nevertheless. The other day we were standing on the street corner when a wedding procession honked its way past. My companion, a statuesque blonde, golden as autumn and twice as exciting, murmured sadly: "And I must go home and study Spanish! I'm so d—d sick of studying Spanish. Sometimes I think I am crazy taking all these extra courses, when I would much rather . . ." Wistfully she indicated the receding wedding car. It was sad. But my sympathies were somewhat lessened by the knowledge that she had refused several offers of marriage, one because the man did not have enough money, another because he read a certain steam-heated magazine with colored pictures, and the third man because he had a unique custom of crackling his ankle bones.

But it is not this aspect of the unmarried woman I propose to deal with. It is rather of the peculiarities she develops, the Aspects by which she is known. Her chief characteristic is the habit of flaunting. Now, there are ways and ways of flaunting. It can be done subtly, simply or stupidly, and it is evident of them all that she is expert in the art.

And their own little routine is the most entrancing thing at any bazaar.

From the time they arose to be late for work in the morning, until they massage their dancewear faces with toning-powder face cream at night, Almost has it been incorporated into a fine art. The sole essential ingredient is a man, any man. He may be yours, your girl friend's, though this is not wise, or nobody's. He may be ten years younger or twenty years older, he may be society's darling or the type persistently spurned. If he is the man of the moment, so much the better, for then flaunting power may be increased several hundred kilocycles. He may be yours for the evening, or he may not. Perhaps you merely encountered him at a bazaar, tourney and slice out both live in the same vicinity, he drives you home. Whether the invitation, you flaunt, and after you have driven off with an afflatus of cylinders, various feminine nautines take place to the effect that Jennifer is so trim, plump when she gets a man! And after all, it was obvious he only took her home because he is so learned, sparing with the gasoline, and she lives less out of his way than anyone else.

In this class also, which I think might be designated the Triumphant, belongs the Breaker of Engagements. Earlier in the day she has implored you to attend a Charles Boyer performance that evening, and while you greatly prefer Mr. Astaire, you smugly agree, and postpone shampooing your hair until the next night. After consuming a hasty meal in order to be at the theatre for the first show, do not be amazed when the telephone tinkles, and there is Mr. Boyer's first white satellite, in an effervescence of satisfaction, informing you that Rose has just asked her to "Follow the Fleet." She knows you won't mind. Knowing Rose, you also know it is a Dutch treat, and that he will give way to guitars of comprehension with several moments after the rest of the audience have subsided.

THEN there is the "I'll-Ask-Jim" type. They have been trailing around together for longer than any one can remember, but have never actually got married, either because he never thought of suggesting it, or because she can't quite make up her mind what to do about it without asking someone. If you suggest a sandwich on Friday afternoon after work,

she'll ask Jim. Maybe he wants to roller-skate. If a round of contract is proposed, she'll ask Jim. He prefers "fish." Even when the Missionary Society were making a layette for homeless babies in Nigeria, she had to ask Jim. These plural personalities.

On the other hand, an absence of plural personalities is worse. A manless woman is a condition to be avoided. In the first place, it is a problem to a hostess, and in the second, well . . . it just isn't done. That there is something drastically, intrinsically and hideously wrong with a girl who achieves no male companion is evident in glances of contempt. Whether these minnows? From the men? Ah, no. They proceed from other women. And her stock goes up one hundred per cent when she manages to produce a man, how deplorable a specimen notwithstanding. She has proved guiltless of the utterly abominable crime of looking sex appeal.

ANOTHER peculiarity of the unmarried is their utter self-absorption. There is nothing in the world of such interest as themselves. If they sell history, selling history is the topic of conversation. If they teach school, then teaching claims the spotlight.

And their own little routine is the most entrancing thing at any bazaar. From the time they arose to be late for work in the morning, until they massage their dancewear faces with toning-powder face cream at night, they can and do give you every detail of their day.

Still one more pleasant custom of the bachelor girl is to arrive in her crispest collar and sleekest ways at the home of her married friend in



MISS HELEN ANNA ROGER COLLINS, daughter of a noted Canadian author and composer, Alice Roger Collins, of Walkerton. Mrs. Collins recently had published with much success, "Sons of Martha," a song in which she put to music Rudyard Kipling's poem on the work of engineers.

—Photo by Ross.

SECTION III

SATURDAY NIGHT

BUSINESS

» FINANCE

» GOLD & DROSS

» INSURANCE

» THE MARKET

*Safety for
the Investor*

TORONTO, CANADA, JANUARY 4, 1936

P. M. Richards,
Financial Editor

AMENDMENTS TO LABOR CODES FORESHADOWED

Employers Asked to Make Suggestions to Ontario Government for Changes in Industrial Standards Act—Appeal Court Quashes Convictions of Toronto Millinery Firms

BY DALTON J. LITTLE

DISSATISFACTION with the present provincial labor codes of Ontario and Quebec by employees, employers and the public is growing. The prominence which the daily and weekly press, leading financial journals, and other publications have during recent weeks been giving to the inconsistencies of these measures, and their failure to remedy the evils they were intended to rectify, provide abundant evidence that they will not long survive in their present form.

There are also indications at Ottawa that Dominion labor laws will supersede the several provincial statutes which purport to stabilize industry by the establishment of uniformity with respect to wages and hours of labor in industrial undertakings.

Recent court decisions given on cases of appeal in Ontario taken by both employers and the Crown in efforts to have Police Court decisions reversed have resulted in quashing the convictions of the former, but in sustaining the acquittal of the accused which the latter had failed to convict in the lower court. In other words, the Department of Labor lost out in both cases.

That amendments to the Industrial Standards Act are pending, for introduction at the next session of the Ontario Legislature, is foreshadowed by the fact that employers presently subjected to the codes have been requested by Queen's Park to submit suggestions for changes.

The complete failure to negotiate agreements under the Ontario Act, which were assiduously pressed by their initiators, reveals many impractical features of agreements proposed under the Act, and discloses unethical practices which have been resorted to by overzealous labor organizers.

It has also become apparent that certain trade unions have endeavored to use this piece of class legislation as the "big stick" with which they would, if they could, force all employees in the trades coming under its schedules to join their locals.

The lack of enforcement machinery, and the apparent unwillingness of the governments of either Ontario or Quebec to spend enough money to provide sufficient inspection service has been another serious deterrent to a fair test of these labor laws.

MOST important judicial findings on the legality of so-called agreements between employers and employees embodied in schedules of wages and hours under the Industrial Standards Act of Ontario were contained in judgments handed down the other day by Judge A. E. Honeywell in Special Appeal Court. Four Toronto millinery firms had appealed convictions in police court arising out of charges of violating the code by permitting a greater number of employees to work on Saturday than the number set out in the permit issued by the Millinery Board. During the same sitting of the Court an appeal by the Ontario Department of Labor on the refusal of the police court magistrate to convict a painter and his helper for working on Saturday was not allowed. The judge held there was no power granted under the Act to fix any particular days. Only the number of days could be prescribed in the schedules. The accused had only worked two days in the week, Friday and Saturday.

The crime charged against the four millinery firms on which they had been convicted in the lower court, Judge Honeywell held, was not for working on Saturdays, but for employing a greater number of workers than the Board permitted on Saturdays. He held that there was no power granted the boards set up under the statute to make such regulations, and hence there was no power to make the alleged offence. He therefore allowed the appeal.

Section 8 of the Industrial Standards Act provides for "formulation of schedules," and states in part as follows: "and the parties to every agreement entered into under the authority of this Act shall assist in maintaining the standard of wages and hours and *days of labor* provided for by any schedule affecting such parties." The preceding section dealing with the convening of "conferences on petition" also uses the same phraseology.

In other words, the agreements made under authority of this legislation may stipulate any scale of wages, and as wages are ordinarily paid in legal tender or by cheque for a number of units of currency, such as *eighty cents* per hour, the agreements embodied in the schedules under the Act simply state what *number* of units of currency shall be paid and not *eight ten cent* pieces, for instance. Similarly in the matter of hours of labor it is not provided in the Act that employees shall only work from the eighth hour in the morning to twelve noon, and from the first hour in the afternoon to five o'clock. Therefore the *days of labor* can only be interpreted to mean any days of the week, and not merely Monday, Tuesday, Wednesday, Thursday and Friday.

JAMES E. DAY, K.C., legal adviser of the millinery firms which took the appeal from their conviction in police court, now contends that by virtue of the decision of the appeal court there was no agreement in fact, and that in so far as the milliners are concerned there is no industrial code.

It is understood that these firms do not object to the principle of a minimum wage, or of the creation of equitable conditions in industry which would protect them from the unfair competition of millinery firms which do not pay a living wage. They operate non-union or open shops. Some of these companies are noted for their fair treatment of employees. Many of their workers have been in

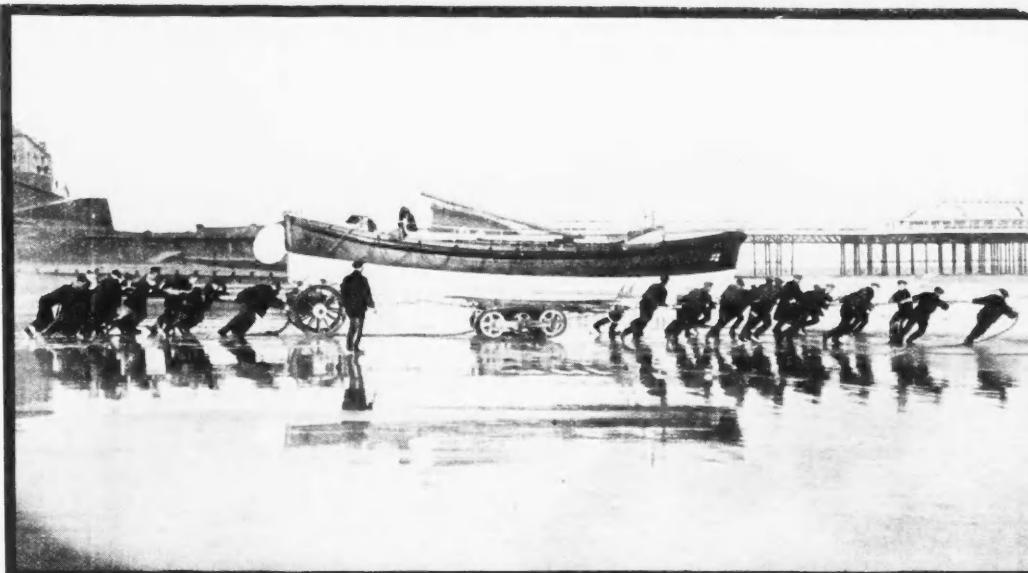
their employ for periods ranging from ten to twenty years.

Since the majority of the codes set up under the Act either specifically forbid work on Saturday, or restrict it to emergency work, or require in some instances where permitted at double-time rates of pay, it follows that all of the orders-in-council under

which these schedules were put into force have gone beyond the power of the Act.

The schedules of the following trades in the building industry of the Toronto zone would appear to be unenforceable: painters, decorators, glaziers, paper-hangers; plasterers; plasterers' laborers; brick-

(Continued on Page 24)



LAUNCHING THE LIFEBOAT. A fine photograph of the lifeboat crew of Cromer, on the east coast of England, going into action to save the crew of a sailing barge crippled by a winter storm.

PRICE TRENDS AND CURRENCIES

If Gold Standard Countries Devalue, What Will Be the Effect on World Commodity Price Levels?

BY GILBERT C. LAYTON

Saturday Night's Financial Correspondent in London

THE constant loss of gold by the Bank of France and the subsequent raising of the French Bank rate from 4 to 5 and again to 6 per cent., have focussed attention on the precarious position of the gold bloc exchanges, and on much more than that. It has become fashionable to assume that the gold bloc must reject its present gold basis sooner or later; but, quite apart from the vagueness of the time element in the world's affairs, political wisdom will demand that gold be retained as the basis of the currencies. A wholesale discarding of the gold standard would bring public indignation and probably riots in its train, in the more latin-minded gold bloc countries. They cannot afford to stimulate price by a lax and easy monetary policy. The matter is of great moment to Great Britain, for the stability of sterling is of great moment to her, as is also the stability of price levels.

There is an intimate connection between price levels, which are the only true guide to the cost of living, and the exchanges. When Great Britain left the gold standard, prices showed a considerable but short-lived rise. That it would be considerable was expected; that it would be short-lived was not. The reason why the advance did not continue was primarily the desire of British producers—caterers for the world—to maintain the volume of their output by reducing their profit margins; in other words, with a depreciated currency, they had to pay more for their imports, but they did not feel justified in raising their prices correspondingly. If the domestic inflationary influence of the desertion of the gold standard was so slight, however, its deflationary effect in international markets was considerable.

Deflated prices are not an unmixed curse, and gold bloc opinion is for the most part strenuously opposed to any currency measure which would deprive the populations of the ability to buy their goods cheaply. This is the commercial aspect, however, and it must be confessed that today the gold standard has become or is rapidly becoming too ex-

pensive a luxury, as the gold losses of the central banks of the gold bloc show.

ASSUMING devaluation throughout the gold standard countries, what will be the effect on price levels in Britain, and in the world? Britain is, perhaps, in the matter of prices, the country most sympathetic to world trends. She may therefore be expected to reflect accurately the deflationary effect of devaluation in the world market. The degree of the gold bloc's participation in the inflation of prices which should theoretically follow devaluation is doubtful. On the one hand, none of the gold bloc countries occupies a position in any way comparable with Great Britain's *vis à vis* world markets, so that prices should react sharply and surely. On the other hand, by expanding trade between nations, and, possibly, by removing certain trade restrictions and barriers, devaluation would tend to force up prices.

Politics may in the future exert a more potent effect on price levels than commerce or finance. It has already been seen that the fear of war forces up commodity prices in general, not only because of increased demand for actual military purposes, but also because the neutral as well as the potential belligerent countries purchase to augment their stocks against the restriction or a stoppage of the normal channels of supply.

The war factor is not, however, the concern of the economist, and even to the politician it is not, until the day of the ultimatum, more than an imponderable. Nor can anyone foretell the moods of nature, who will one year provide a glut of commodities and so deflate prices, and the next year flood the markets with her bounty.

There is no doubt that the British Government would today connive at, if not assist, an upturn in commodity prices, for, apart from the benefits to the community (which is, as Professor Bowley has shown, receiving bigger wages), such a development

(Continued on Page 24)

BUSINESS AND MARKET FORECAST

BY HARUSPEX

DOW JONES AVERAGES—NEW YORK STOCK MARKET

	Industrials	Rails
July 8 32	41.22	13.23
Oct. 21 33	83.64	27.31
Nov. 19 35	148.44	41.84
Dec. 19 35	141.58	39.43
Dec. 19 35	138.94	39.43

Average daily volume—6 days ending Dec. 27th 1,800,000 shares

THE PRIMARY TREND OF STOCK PRICES HAS BEEN UPWARD SINCE JULY 1932.

We have rearranged the market data which accompanies this forecast. The significant market turning points have been placed in better relation to each other so that they may be more readily compared and grasped. Although we are primarily concerned with the long term trend of the market and of business, there may be readers who wish to keep themselves posted on a daily basis. There are times when the market reverses itself rather sharply, and those who wish to keep up to date will find the Dow Jones Averages recorded in every progressive daily newspaper.

The market since '32 has moved down into the area of approximately INDUSTRIALS 141, RAILS 40. Volume has dropped, too, and an irregular or sideways movement has developed. Nothing has occurred to change our recently expressed viewpoint that investors should keep a reserve of 25 per cent in cash and that speculators should be on the sidelines. If volume should significantly increase as the market goes down, lower prices may be expected. If, on the other hand, volume increases with prices moving up, we should wait to see the development of the usual zig-zag market pattern before stocks are purchased again.

No. 106



FOR many citizens the most convincing and certainly the most pleasing evidence of the reality of the improvement taking place in general conditions is the increased dividends being received on stock investments. In the aggregate, Canadian corporations paid out in dividends last year \$30,000,000 more than they paid in 1933, and \$84,000,000 more than they paid in 1932. Total dividend disbursements during the year 1935 amounted to \$225,028,329, a figure that has only been exceeded once before, which was in 1930 when dividend distributions reached the all-time peak of \$262,398,994.

MR. ABERHART was elected Premier of Alberta on the promise that he would pay his citizens \$25 a month each. Across the border, Mr. Townsend wants his government to pay \$200 a month to each citizen over sixty years of age. The purpose in each case is to compensate for an alleged deficiency in public purchasing power—an inability on the part of consumers to purchase all the things produced. But pleasing as these proposals are to the prospective recipients of the bounties, they are viewed with dismay by responsible citizens who recognize that costs and prices must rise and the value of money decline to an extent that will much more than offset any immediate benefits from the disbursements. The Alberta and Townsend plans, if implemented, will harm the community as a whole in the long run by acting as a check on the production of goods, which means the production of wealth. And if less goods and less wealth are produced, there will be less for all to share.



SURELY promotion of the recovery of trade and industry is a sounder way to increase public purchasing power. The Canadian corporations that increased or resumed or initiated dividend payments in 1935 were able to do so because they had a volume of business that resulted in profits. And larger production required the purchasing of more raw materials, which in turn created more employment and wage-disbursements elsewhere. Actually government records show that 50,000 of our unemployed returned to work last year. The way to recovery—to prosperity—lies in the development of this trend.

THE volume of unemployment is still distressingly large because the volume of production and trade is still far below what is required to satisfy the legitimate wants of our people. This condition is not the result of any shortage of money. Right through the depression there has been plenty of money with which to buy, but the people with money have hoarded it, because they lacked confidence in the future of society and industry. They are now beginning to spend again, because confidence is returning, which is why production and trade are increasing.

PROSPERITY lies in the provision and utilization of goods and services. It certainly does not lie in the creation of more money. Money, obviously, is only a token—a claim to goods and services. Our real wealth consists of the goods and services produced, and the means used in their production. Most assuredly, then, we cannot increase our national wealth by retarding the groups of our people from production and penning them off with claims on the goods and services produced by others. If we do that, there must be less to distribute among the people as a whole, less employment and less real purchasing power. What we need is more production at lower cost, so that we may have more goods to use and more people will be able to enjoy them.



A GREAT many people regard talk about the necessity for maintaining or restoring confidence as capitalistic propaganda. We are trying to show that confidence is a real and vital and essential element in recovery. Without the restoration and maintenance of confidence in the future of society, there can be no real recovery. Employment in Canada is today at the highest level in five years. What is this due to but the regrowth of confidence?

WE ARE not suggesting that society cannot and should not be improved. Obviously we can usefully go further than we have yet gone in safeguarding the weak and sick and helpless and aged, in curbing predatory employers and outlawing unfair and destructive business practices. But in working to these ends we must proceed very cautiously, making sure that we do not place restrictions on legitimate producers that will reduce the volume of their production and increase its cost to consumers. If we do that, there will be less consumption and society will be the poorer.

AS WE face the beginning of another year, there seems to be every reason to expect further healthy progress in recovery. The chief threats to progress lie in the terribly unsettled political conditions in Europe and elsewhere, and perhaps more especially in the tendencies toward radicalism evidenced by several of our provincial governments.



GOLD & DROSS

SHAWKEY GOLD

Editor, Gold & Dross:

A few weeks ago you carried an item respecting Shawkey Gold Mines which was rather censorious of the management for its method of putting out information. As I am heavily interested in the company, I would appreciate learning if you have any further information and if, in your opinion, the official statement of 75,000 tons of deposit of ore above the 450 foot level over a width of five feet and an average of \$13.00 per ton is likely to be realized.

P. S. F., Toronto, Ont.

At the present time Shawkey Gold Mines is being provided with the necessary funds to construct its hundred ton mill through the sale of shares by Draper Dobin & Co., Toronto brokers. This mill is to be ready for production early this year and in the meantime development is being pressed on the main vein, which has been developed on four levels to a depth of 450 feet. The financial sponsors have made available a mine assay plan, which discloses an interesting ore situation in that while there is considerable faulting in evidence and the ore is broken up into relatively short shoots a very high percentage of the drifting has been in ore.

The situation may now be summarized from official statements as follows: On the first level three ore shoots of a total length of 407 feet averaging \$11.35 per ton over an average width of 2.91 feet; on the second level four ore shoots total 399 feet and average \$11.65 over an average width of 3.67 feet. On the third level six ore shoots total 469 feet and average \$9.22 over an average width of 2.83 feet, while on fourth level one ore shoot 125 feet in length averages \$5.00 per ton across an average width of 1.57 feet. These shoots on the four levels total 1,400 feet of ore averaging \$11.50 per ton across an average width of three feet. In addition to this there are ten ore shoots on the four levels that are listed as probable ore. While the second level is the biggest ore producer, the third level has seen the greatest development, with some 800 feet of drifting with the last 125 feet reported as being high-grade ore, although no assays are yet available. The widths are not all narrow; in fact, widths up to 18 feet have been encountered.

Based on the official figures, developments to date have indicated 466 tons of ore per vertical foot, but inasmuch as raises have not been put up in all of these ore shoots, it is rather hazardous to estimate the tonnage. Evidently officials in stating 75,000 tons of ore, based the estimate on a stopping width of five feet. While the official assay plan indicates only an average width of three feet, it is likely that when mining takes place without doubt many of the shoots will show greater widths, which prompts officials to use the five-foot width in their estimate. In addition to the main vein, which has been developed, there is another important showing known as the Point vein. Surface indications were most gratifying but no work has been done yet at depth.

As for the profitable outlook for the company I can only reiterate the property is in the hands of a sincere and efficient management, but it will remain for production to determine accurately the size and grade of the ore shoots and with it the margin of profit.

BEATTY BROS.

Editor, Gold & Dross:

I have been holding some of the "A" stock of Beatty Bros. Ltd. for quite a number of years and I was wondering if the outlook had improved any for it. As you know, there haven't been any dividend payments since 1932 but I recently heard rumors that there was now some chance of a payment coming along. I understand the last report was a good one and that the company had been able to keep up and steadily increase its business. I wonder if you would care to let me have your comments with whatever figures are available. Do you think the outlook warrants my holding on to this stock and is it true that there will be a dividend soon?

K. R. L., Windsor, Ont.

Following publication of the last annual report since 1930 there have been rumors to the effect that some interim distribution might be made on the class "A" common stock of Beatty Bros., but current speculation is idle until some official pronouncement is forthcoming. It is true, however, that the company's position and prospects are the best in several years and that your "A" stock seems well worth holding. Current quotations of 11 compare with a 1935 low of 8 and a high of 15.

The striking feature of the company's report for the year ended August 31, 1935, was the earnings of 42 cents per share reported on the combined "A" and "B" stocks which was equivalent on the "A" stock alone to \$1.43 per share. Net available for dividends amounted to \$168,485, which amounted to \$16.50 on the 6 per cent first preferred and \$15.28 on the 7 per cent second preferred and on the common as above. This compared with net of \$36,488, or \$3.52 on the first preferred and a deficit of 54 cents on the common in the year ended August 31, 1934. In turn this had been a striking improvement over a net deficit of \$158,302, equivalent to a deficit of \$11.68 on the first preferred, a deficit of \$3.57 on the second preferred and a deficit of \$1.95 on the common in 1933. In 1932 net income had been \$6,380, in 1931, \$102,708 and in 1930, \$637,439.

Consideration of the balance sheet position as revealed in the last report reveals that the directors may wish to strengthen the liquid position before considering any resumption of distribution on the junior securities. While working capital is slightly up at \$4,130,418 as against \$4,122,239 the year before, receivables show an increase of \$491,000 to \$3,982,448 and inventories are up by \$367,000 to \$1,743,850. Bank loans show a jump of \$551,000 to \$1,227,452 and a new Sterling loan of \$375,068 appears. While the general position is sound, it may be that the directors will decide to reduce some of the items outlined above; the increases, it must be kept in mind, however, reflect as well the greater volume of business.

Beatty Bros.' products range from household equipment to various lines of hardware and barn equipment and the company should share, as it has already done, in the increasing consumer purchasing power attendant upon the general recovery. In so far as its sales to the agricultural community are concerned, higher prices for farm products, coupled

with the anticipated benefits from the new Canada-U.S. trade treaty, should find direct reflection. The company which has its main plant at Fergus, Ont., is well managed and its sales end is aggressive and capable. Much favorable comment was evoked in 1931 by the action of the directors in re-classifying the common stock into "A" and "B". Under the new arrangement dividends would be possible on the "A" stock held by the public, before any distribution was required on the "B" stock held by the management. I feel sure that shareholders will receive fair treatment at the hands of the directors and that a payment will be made on the "A" stock as soon as conditions reasonably warrant; in the meantime I consider the future of the company to be bright.

Dominion Glass

Editor, Gold & Dross:

I am the owner of some of the common stock of the Dominion Glass Company, and I am interested in the future of this stock chiefly because of what I have been reading about the adoption of tin cans for beer in the United States. I know that Dominion Glass makes beer bottles and I was wondering if the company was going to face the loss of this business in Canada, and if so, how much difference it might make to earnings. I believe that some reference to this matter was made at the annual meeting but I was out of town and missed the reports. Your comments along these lines would be most welcome, together with your views on the wisdom of holding the stock. I see the price is still high and maybe the rumors have been exaggerated to make it drop. I will hold until I hear from you.

W. R. R., Montreal, Que.

And I would suggest that you continue to hold. Dominion Glass is the largest company in its line in Canada, it has a long and excellent earnings record, it should share in the increasing prosperity of the country as a whole and it is not likely to be severely affected by the possibility to which you refer. It is true that the matter of the invasion of the beer field was dealt with fairly extensively by Dominion Glass' president, Sir Charles Gordon, at the recent annual meeting but the important point brought out was that only 6 per cent. of the company's total volume of business was in beer bottles. This should serve to dispose at once of the greater portion of the "viewers with alarm."

It is impossible, of course, to say that no Canadian breweries will experiment with the new type of "tin" containers; much will depend on the outcome of the large-scale experimentation now being carried out across the line. You are probably familiar with the arguments advanced on both sides of the case, but so far as Canada is concerned, it seems important to me that the brewing companies have considerable sums invested in the present supply of bottles and would not write this off immediately. On the other hand you will recall that Continental Can, one of the large United States companies, recently invaded the Canadian field through the purchase of Whittall can. Since Continental is vigorously pushing the use of cans for beer in the United States it seems only reasonable that it will attempt to expand this field in Canada. However, taking the most pessimistic view from Dominion Glass' end, it seems probable that beer bottle manufacturing would be lost only gradually and possibly never completely. It must be remembered that some time ago another "scare" developed—the use of paper containers in the place of milk bottles but adoption is not, I understand, favored by the large dairy companies.

In the year ended September 30, 1935, Dominion Glass reported earnings of \$5.42 per share on the common as against \$5.20 in 1934, \$3.10 in 1933, \$3.53 in 1932, \$4.53 in 1931, \$7.64 in 1930 and \$12.88 in 1929. Dividends from 1923 to 1931 had been at the rate of 87 annually and reduction to the current 85 rate was made early in 1932. Payment of the dividend during the years not earned was made possible by the company's strong financial position which has been retained to date and which was improved during the last fiscal year. Total current assets as at September 30, 1935, stood at \$3,334,957 of which cash was \$312,191 and Dominion Government bonds \$144,339, against total current liabilities of \$656,395. Working capital at \$2,678,552 showed a moderate increase from the \$2,634,772 a year before. Equity per share on the common amounted to \$66.14 against current market prices of 110. In view of the moderate margin of per share earnings over current dividend disbursements, I do not look for any early increase in the rate, but this would be possible if the company completely recovered its pre-depression earning power. In general I see no reason why it should not.

CASTLE-TRETHEWEY MINES

Editor, Gold & Dross:

How do you regard the stock of Castle-Trethewey? I mean is it selling on the basis of its silver property or on its interest in Omega Gold? I have some at \$1.10 and am rather anxious about it on account of the unfavorable world silver situation. What do you think?

M. W., Toronto, Ont.

I would entirely disregard the silver situation in attempting to appraise the merits of Castle-Trethewey Mines for today it is more of a holding and investment company than a mining operation. Principal interest outside of its investments, which comprise largely holdings in International Nickel and McIntyre Porcupine, centres about its one-half interest in the Omega Gold Mines, which is to be brought into production early next year with an initial 300-ton milling unit.

At the close of the company's last fiscal year, March 31st last, its current assets and investments were equal to 60 cents per share. Since that time the appreciation in its International Nickel holdings is about equivalent to \$400,000 and one could figure current assets close to 90 cents per share. While it is impossible to appraise the ultimate worth of its holdings of Omega Gold Mines, the unlisted market for this stock is between 55 and 60 cents a share, which in terms of Castle Trethewey would be equal to approximately 50 cents per share.

The situation at Omega is most favorable. First, it starts production under the skilled technical direction and management of those associated with the McIntyre Porcupine Mines. Under the terms of the agreement by which Castle acquired a one-half interest in the property, it made cash advances to

GOVERNMENT MUNICIPAL & CORPORATION SECURITIES

Inquiries Invited

A. E. AMES & CO.

LIMITED

Business Established 1889

TORONTO

Montreal Victoria

Winnipeg New York

Vancouver London, Eng.

WE MAINTAIN ACTIVE TRADING DEPARTMENTS SPECIALIZING IN LISTED AND UNLISTED CANADIAN MINING AND INDUSTRIAL SECURITIES.

Our statistical staff would be pleased to answer inquiries regarding all classes of securities.

F. J. Crawford & Co.

Members

Toronto Stock Exchange
Winnipeg Grain Exchange
Canadian Commodity Exchange
Inc.

11 Jordan St. ELGIN 2201

DUN & BRADSTREET OF CANADA LTD.

Protection and Promotion through Co-operation—Investigation and Analysis

INDUSTRIAL MINERALS

MOST mineral deposits are discovered by chance. It is rarely that a directed search is made for minerals of that class. Frequently the mere finding of a deposit is proof sufficient to the discoverer that the product can be marketed. This state of mind is the principal cause of the failure of so many attempts to develop. The specifications of most industrial consumers are very exact, in fact in some industries they are rigid to the point of being entirely unmarketable and unfair. Some specifications have been drawn up by men with little knowledge of the materials to be used or to be made from them. An example is afforded by two large Canadian manufacturers making identical products, one of whom uses a local source of supply, the other, located in the same city, maintaining specifications that no domestic source can fill. Canadian founders, particularly, differ among themselves as to what is used in their industry practice. In the main, however, the specifications of the manufacturers are entirely reasonable and are based on sound principles and the production of an industrial material never should be attempted until it has been shown that zinckes satisfactory to the particular consumers can be produced.

WESTERN FARMING

FARMING in the prairie provinces comprises four more or less distinct types: first, wheat growing; second, mixed farming; third, dairying, usually associated with mixed farming; and fourth, ranching. Wheat growing predominates in southwestern and central Alberta, most of Saskatchewan, and in southern Manitoba, although in the latter area the proportion of other cereal and forage crops is growing rapidly. Mixed farming is found in northern and western Alberta and in northern and eastern parts of both Saskatchewan and Manitoba—in other words, over practically the whole of the park belt. It is also the dominant type of farming in the irrigated districts. The greatest development of dairying has occurred in eastern Manitoba, northeastern Saskatchewan and northwestern Alberta. Ranching is practically confined to the dry area in southwestern Saskatchewan and southeastern Alberta and to a strip of land extending from the national boundary northward along the foothills to beyond Calgary.

CANADIAN SECURITIES

Dominion and Provincial Government Bonds

Municipal Bonds

Public Utility

and

Industrial Financing

DOMINION SECURITIES CORPORATION LIMITED

TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENGLAND

15 King Street West, Toronto

January Investment Suggestions

Our January investment pamphlet lists current offering prices of Dominion of Canada bonds and gives helpful information on a number of public utility and industrial issues.

Copies will gladly be sent to investors upon request. Ask for a copy today.

Royal Securities Corporation

Limited

244 St. James Street

330 Bay Street

Toronto 2

Offices throughout Canada; also in New York and London.

A. E. OSLER & CO.

ESTABLISHED 1886

MEMBERS TORONTO STOCK EXCHANGE

MEMBERS CANADIAN COMMODITY EXCHANGE

We have prepared an analysis on one of the promising junior gold properties which we will be pleased to mail on request.

OSLER BLDG., 11 JORDAN ST., TORONTO

ELGIN 3461

HOLLINGER

Special Circular Available Upon Request

J. E. GRASSETT & CO.

Members The Toronto Stock Exchange

302 BAY ST. WAVERLEY 4781

TORONTO

Branch Office: 2822 Dundas St. W. at Heintzman Ave. JU. 1167

McKENZIE RED LAKE LEITCH GOLD MINES WILPORT GOLD MINES

A special letter on each stock has been prepared by our Statistical Department and will be forwarded upon request.

C. A. GENTLES & CO.

MEMBERS THE TORONTO STOCK EXCHANGE

347 Bay Street, Toronto

ADelaide 4012

Established in 1889
J. P. LANGLEY & CO.
 C. P. ROBERTS, F.C.A.
 Chartered Accountants
 Offices
 TORONTO — KIRKLAND LAKE

MINES

BY J. A. MCRAE

DIVIDENDS paid by metal producing mines of Canada during 1935 were \$58,750,000, thereby far exceeding any former record in the history of the Dominion.

• •

An even dozen mines made disbursements of \$1,500,000 or more. International Nickel with close to \$11,000,000 was the leader, with Lake Shore coming second with \$8,000,000. Noranda was third with \$4,480,000, and Hollinger in fourth place with disbursements of \$4,428,000.

• •

Pickle Crow is moving quickly toward a position where dividend disbursements may begin. Output is running about \$4,000 per day, and over two-thirds is net profit.

• •

Howey has established costs at the new low level of between \$1.75 and \$1.80 per ton. The ore has recently been yielding an average of \$2.68 per ton.

• •

Stadacona is reported to have signed a contract for erection of a cyanide mill of 200 tons daily capacity.

• •

Copper stores throughout the world have declined to a point where a still higher price for the metal would not come as a surprise to Canadian producers.

• •

Noranda is lined with rumors that a close understanding has been reached between heavy producers of copper in Africa and at Noranda.

• •

Falconbridge Nickel now has shaft outlet for nearly 100,000 tons of ore per month. The current rate of operation is about one-third of this amount. The size of the shafts, however, provide some idea of the basic plans lying behind the development of this rapidly-growing nickel producing mine.

• •

Kirkland Lake is milling 225 tons of ore daily, with grade at \$11.30 per ton.

• •

Canadian Kirkland is to undertake operations again. Underground work to 800 ft. depth disclosed very strong veins and encouraging gold deposition. Now that work in the westerly part of the producing section of Kirkland Lake has shown the payable gold ore to lie at lower horizons, it is proposed to diamond drill from the 800 ft. level and explore to around 2,000 ft. in depth on Canadian Kirkland.

• •

God's Lake is already realizing a substantial operating profit. Lateral work at lower levels is progressing steadily toward the point where downward extension of ore-bodies are expected to occur. A mill of still larger capacity is in prospect at such time as work at lower horizons progresses far enough.

• •

Battie Gold is milling at a rate of 43,000 tons of ore per month, and has reduced costs to around \$2.15 per ton, the total costs amounting to over \$90,000 per month, but leaving profit which is estimated at close to 4 cents per share quarterly at present rate.

• •

World gold production for 1935 appears to have exceeded a value of one billion dollars as measured by \$35 an ounce gold at Washington. New gold discoveries in years of distress in past decades played a leading part in turning humanity back upon a road to prosperity. The vast record output of gold now taking place throughout the world is full of important significance.

• •

Gold production may be saving the financial structure despite the meddling of the modern political doctors.

• •

The Canadian Government has an opportunity to give free rein to a great gold mining industry within the borders of this Dominion. Instead of grasping at a limited and restricted amount of taxes from such an industry, this business of mining gold should be permitted to expand to its utmost. Lower taxes make it possible to mine lower grade. Every cent added to taxation destroys large national resources in the form of lower grade ores.

GOLD & DROSS

bring it into production as well as to pay off old debts of the predecessor companies, which may total some \$650,000. This is to be repaid out of first earnings by Omega and indications are that this will be entirely discharged within the first two years of operation, after which low operating costs will prevail as there will be no depreciation for plant and the mine having been developed to the point where some 560,000 tons of ore are estimated, will make mining costs quite low.

That the full potentialities of Omega Gold Mines have not been revealed in the work done to date can be accepted as fact. There is every indication that subsequent developments will show not only a substantial increase in tonnage but also an increase in the grade of ore that will augur well for a substantially larger milling operation in the future. On the whole I regard the outlook for Omega Gold Mines as most bright and success should be reflected in the shares of Castle-Trethewey Mines. I therefore regard the shares of this company as an attractive speculation in a well managed enterprise.

POTPOURRI

R. E. L., Vancouver, B.C. GOLD SHORE MINES was incorporated about a year ago, is doing some preliminary exploration at its property and at last reports planned to do diamond drilling. I understand arrangements have been made with a New York house to supply funds and not long ago the shares were seeking the approval of the Securities Commission at Washington, D.C. The company is purely in the prospect stage and it is impossible to attempt to appraise the worth of the shares at the present time. They are not listed and the only thing to do is hold your stock in the hope that ample funds will be provided to conduct a conclusive development program and determine the merit of the property.

C. H., Bradford, Ont. I do think that your estimated earnings of \$3 per share for the current fiscal year of UNION GAS will be distinctly wide of the mark. Even if the company succeeds in earning \$1, that will considerably exceed some predictions. It has been estimated, as a matter of fact, that net for the current year might amount to around 75 cents compared with 32 cents last year and 51 cents two years ago. In the absence of actual figures, however, these can be considered as only guesses. I have no quarrel with the speculative purchase of Union Gas common. You point out that there has already been considerable appreciation, but I suggest that you consider the point that it is hardly likely that the sponsors of the company's securities would wish to market new bond issues if the market for the common were weak or declining. Union Gas is at last putting its financial house in order and while the corporate picture, through the various subsidiaries, remains a bit complicated, it seems to me quite reasonable that the company's earnings, in view of the general business improvement, should increase.

N. G. C., Cornwall, Ont. The decline in GOD'S LAKE GOLD MINES stock can be principally attributed to short interests raiding the shares rather than to any unfavorable development at the property. Without doing any development below its second level the company has two years' ore supply in evidence and while ore on the 10th level was not met just where it was anticipated, it will take several months' work to explore this area fully. I have no reason to doubt that a large profitable mine is in the making and would disregard rumors that have been circulated to affect the market price of the shares adversely. As far as advising you about the purchase of additional stock, I can only say that I happen to know that well informed mining men have been steadily accumulating more stock at present prices.

N. W., Leaside, Ont. GREGORY TIRE AND RUBBER 1926 LIMITED has been wound up. The land, buildings and equipment of the company were acquired by a company known as Huntington Rubber Mills of Canada Limited, with registered office at 1161 Standard Bank Building, Vancouver. I have no record of any distribution ever having been made to security holders of Gregory Tire and Rubber.

W. S. W., Toronto, Ont. You did not improve your position by switching your NORTH SHORE GOLD MINE shares for units in the KIRKLAND GOLD RIDGE SYNDICATE, for at least North Shore has a property and a small mill, and if funds could be raised might have a chance of sustaining a small production. The Kirkland Gold Ridge Syndicate, on the other hand, is purely a prospect; in fact I can learn relatively nothing about the syndicate as the office shown at 1395 in the Concourse Building is closed and there is no reply at the telephone number given on the company's stationery. The telephone company has no record of the Kirkland Gold Ridge Syndicate, or R. E. Allen, the Syndicate manager. Under the circumstances I fear you have little hope of realizing anything from your speculation. Like most syndicates, there is no market for the units and all that you can do is hope.

T. P., Toronto, Ont. I do not think there is any necessity for switching from your common stock of ATLANTIC REFINING COMPANY at the present time. The more promising prospects for the long term, in my opinion, would warrant holding this stock in limited amounts, as a speculation, despite currently lower earnings. Improvement in operations during the second quarter of the current year brought about profits which slightly more than offset the loss reported in the first three months. Earnings for the September quarter compared favorably with those of a like period last year and assuming the absence in the final quarter of such price wars as were experienced late in 1934, earnings for the full year should equal about \$1 a share, or an amount approximately equal to current dividend requirements. Continuation of the present rate of payment to stockholders is expected in view of the company's strong financial position. Large additions to the company's producing, transporting and refining facilities in recent years have resulted in a better balanced position, and materially lowered operating costs.

K. A. M., Huntsville, Ont. Shares of SUDBURY RED LAKE MINES SYNDICATE have no marketable value. The company has long since been inactive and there is no indication of its being revived or the shares being worth anything.

P. C., Port Arthur, Ont. While there has been a certain amount of market activity in BRAZILIAN recently, nevertheless I cannot agree that this stock is particularly currently attractive. Brazilian's dominant position and excellent earnings possibilities are well known, but so far there is no evidence of any progress towards the solution of the exchange problem which prevents the company from transmitting its funds to Canada. As a matter of fact recent banking reports indicated that the current degree of inferior prosperity is tending to increase imports, and thus further complicate the exchange situation. In addition actual earnings, in recent months, have been falling off.

G. E., Toronto, Ont. Shares of CARIB SYNDICATE LIMITED are essentially speculative. The company has no operating income and its holdings are still in the development stage. As you are probably aware, the purpose of the company is to acquire and develop oil properties in Central and South America.

R. S., Owen Sound, Ont. I would suggest that BURNS & COMPANY securities be held. You are doubtless familiar with the plan of reorganization of this company which became effective June 15th, 1934, and I am informed that since that time the company has been making satisfactory progress. My most recent information was to the effect that at the end of the first half of the current fiscal year the company's net current assets were at or above the minimum required before payments might be made on the bonds which are off all income

basis. If this position is maintained until the end of the current year, the company under its agreement will be obligated to make a payment on the bonds. Any such payment will be at the rate of 5 per cent., if earned, but in any case it must not reduce net current assets below \$2,500,000 in 1935, and below \$2,750,000 in the years 1936 to 1938. Interest accruing after December 31st, 1938, will be a fixed charge at the rate of 5 per cent. per annum. The next interest date will be April 1st, 1936.

A. N. L., Montreal, Que. Unfortunately the securities you name have no marketable value and there is scant hope that anything at all will ever be realized from these investments. Both BLUE BELT GOLD MINES LIMITED and LUCKY BOY GOLD MINES LIMITED, in the Lac des Iles district, are long since out of existence. SILVER LEAF MINING COMPANY still had its charter intact, according to last reports, but has been inactive for many years and there is no indication of it ever again assuming importance. There is no market for the stock. COBALT CENTRAL MINES COMPANY has, I believe, its charter, but has been inactive for many years and there is no market for this stock.

N. C., Ottawa, Ont. Despite the fact that the company was able to materially reduce its deficit in the year ended December 31st, 1934, nevertheless I cannot see a great deal of attraction to either the "A" or "B" stock of CANADA FOUNDRIES AND FORGINGS LTD. In that year the company reported a net deficit of \$2,208 against a deficit of \$75,935 in 1933, a deficit of \$88,578 in 1932, a deficit of \$69,828 in 1931 and net profit of \$61,180 in 1930. In 1929 net income had amounted to a peak of \$150,917. Per share last year on the class "A" showed a deficit of 14¢ and a deficit of \$6.54 on the class "B". No dividend has ever been paid on the "B" stock and the last dividend on the "A" stock was a payment of 55¢ cents on July 15th, 1931. In that year total distribution had amounted to \$1,121 and in the years 1929 and 1930 \$1.50 had been paid. The company's balance sheet showed total current assets of \$514,877 of which inventory was \$378,374 against total current liabilities of \$140,175. Equity per share on the combined "A" and "B" stock amounted to \$30.11 which compares with current quotations of 6 for the "A" and 14 for the "B". In all probability the company's report for 1935 will show additional progress, but I certainly would not advise the purchase of the "A" stock, at least until a report is available, and some evidence is at hand as to the company's earnings possibilities under improved conditions.

A. M. M., Oshawa, Ont. PICKLE CROW GOLD MINES has three million shares outstanding. It is a well managed property and is giving an excellent account of itself and you may expect dividends next year. CENTRAL, PATRICIA GOLD MINES adjoins Pickle Crow. It has 25,000 shares outstanding and has declared an initial dividend. It has considerable promise as have its Springhill claims, now being developed. GOD'S LAKE GOLD MINES has 3,500,000 shares outstanding and it is quite possible it will be in the dividend ranks next year some time. It has given a good account of itself since initial production started last September and its very large property holdings and favorable geological structure, as well as excellent management, make this company's shares attractive. HOWEY GOLD MINES has 5,000,000 shares issued and is currently paying dividends. At the current market price the shares seem reasonably priced. It is a low cost, low grade producer and I believe is worthy of being included in any portfolio of junior gold stocks.

F. A., Shatin, Ont. Common stock of DISTILLERS CORPORATION-SEAGRAMS has recently been listed on the New York Stock Exchange and also on the Toronto and Montreal Exchanges. Last year per share earnings amounted to \$4.35 and while no announcement of any dividend distribution has been made, the president at the annual meeting held recently stated that the matter of dividend distribution would receive early consideration. If you hold Distillers Seagram common, I would suggest that you retain it, as it is my opinion that important earnings lie ahead of this company.

J. J. M., Gresswell, Ont. KEYROC GOLD MINING COMPANY is purely a prospect in an area that is commanding considerable attention on account of the performance of the McWatters Gold Mine. I am not impressed with the technical direction of the property and believe it to be a long shot speculation suitable only for those who are prepared to lose. Sufficient work has not been done to indicate that it has outstanding importance and only a well financed, well directed program would determine its merits.

C. Y., Brampton, Ont. The common stock of the HURON & ERIE MORTGAGE CORPORATION is currently selling at \$6, the current dividend is 6 per cent. and the yield is 7 per cent. This yield is unusually high considering the calibre of the security, and I do not think, therefore, that it is absolutely safe to rely upon indefinite continuance of the present dividend rate. On the other hand, the company is in a strong financial position, is one of our best established corporations, is carefully managed, and in my opinion it seems only reasonable that its earnings should increase in accordance with generally improving business conditions.

H. M. M., Montreal, Que. BANKFIELD GOLD MINES is financially sponsored by C. H. D. McAlpine who is well known for his promotional activities. The property is adjacent to the Little Long Lake Gold Mines, which is demonstrating considerable importance as a producer, but the case of Bankfield still is in the balance. The earlier development was in many ways disappointing. Recent work has shown considerable improvement but I do not think officials are ready to commit themselves yet as to whether it will be a mine. Recently new financing was arranged through a reorganization of the capital structure and old shareholders are to get two new shares for each three shares presently held. By next spring it is hoped that sufficient work will have been accomplished to enable the company to decide as to whether a mill will be constructed.

L. T., Brantford, Ont. I cannot see a great deal of speculative attractiveness at the present time to the common stock of the COCKSHUTT PLOW COMPANY. For a number of years past the company has reported fairly large deficits and while I believe that in all probability the tide has turned for the company, nevertheless it will be some time before a position is built up which will permit the consideration of any distribution on the capital stock. In all probability the report for the fiscal year ended November 30th, 1934, should show progress, as it is understood that sales increased during the year, but it is impossible at the present time to make an accurate forecast. I would not suggest buying until these figures are available. The president of the company expressed alarm at the recent Canada-United States trade treaty, evidently in the belief that the competition from American agricultural implement makers would be increased. On the other hand, the increased prosperity for the agricultural community which should result from the effects of the treaty, should be of direct benefit to Cockshutt, not only in opening up a larger market but in enabling obligations owed by farmers to be more rapidly cleared off.

NOTICE TO READERS
 Saturday Night's Investment advice service is for the use of paid in advance mail subscribers only. Saturday Night regrets that it cannot answer inquiries from non-subscribers.

Each inquiry must positively be accompanied by the address label attached to the front page of each copy of Saturday Night sent to a regular subscriber, and by a stamped, self-addressed envelope.

Each letter of inquiry should refer to one company or security only. If information on more than one company or security is desired, the sum of fifty cents must be sent with the letter for each additional company or security inquired about. If such additional inquiries relate to mining or insurance matter, they should be written on separate sheets of paper.

Inquiries which do not fulfil the above conditions will not be answered.

December 31st Security Valuations

Many investors have their security holdings valued at the close of each year to enable them to keep a satisfactory record of the position of their investments.

We shall be pleased to value your security holdings as at December 31st, 1935. It is only necessary to mail a list of the investments on which valuations are desired.

Wood, Gundy & Company Limited

Toronto 36 King Street West Ottawa 1000
Montreal 1000 Winnipeg 1000 London, Eng. 1000
Hamilton 1000 Vancouver 1000 London, Ont. 1000
Telephone Elgin 4321 London, Ont. 1000



Year-End Valuations

The end of the year is an excellent time to have your securities valued. Mail your list of holdings and we shall give it our immediate attention.

McLEOD, YOUNG, WEIR & CO.

LIMITED
Metropolitan Building, Toronto
Ottawa Montreal Telephone Elgin 4321 London, Hamilton

THE GENERAL ACCIDENT ASSURANCE COMPANY OF CANADA

Prompt Payment of Claims

This company takes pride in its practise of adjusting claims when due. Any policyholder of the General Accident Assurance Company who ever had a claim arising from fire, accident, sickness, burglary or any other insurance risk except life insurance, knows how promptly his or her claim was settled. Our agents can give local examples, involving people you probably know. Ask them.

THE GENERAL ACCIDENT ASSURANCE COMPANY OF CANADA

HEAD OFFICE
GENERAL INSURANCE BUILDING, TORONTO

INVESTMENTS

Those desiring to invest for safety, marketability, diversification and yield, would do well to consider commitments at this time.

Our suggestions sent on request.

MARA & McCARTHY

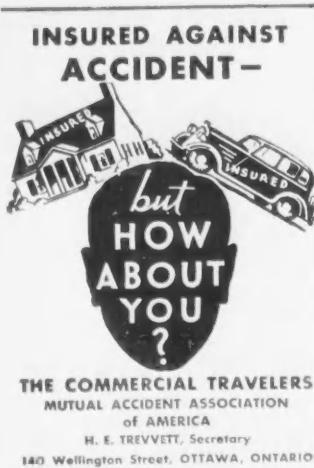
(Toronto Stock Exchange
Members - Montreal Curb Market
/ The Canadian Commodity Exchange Inc.

LEIGH M. McCARTHY H. G. DAVIDSON JOHN A. MARA
CARSON MCCORMACK H. G. STANTON

320 Bay Street, Toronto

CANADIAN SILVER

WITH a view to co-operation in the control of the world market for silver, Canada has increased her use



Concerning Insurance

Residence Burglary Coverage

Comprehensive Protection Now Available Under Modern Residence Burglary and Theft Insurance Policies

BY GEORGE GILBERT

WHILE the average house or apartment dweller is fully aware of the frequency of fires, and usually protects himself by carrying insurance, he is seldom cognizant of the fact that there are six burglaries or thefts for every fire, and that the resulting loss in the aggregate is but little less than the total fire loss.

During the past few years the protection afforded by Residence Burglary Insurance has been considerably broadened without any increase in the cost. Coverage is now furnished against stealing, including damage caused in connection therewith, from within private residences, apartments, flats, specified rooms or apartments in hotels and boarding houses, and from bank vaults. That is, not only burglary alone is now covered, but also robbery, commonly called hold-up, theft and larceny, and, in addition, any injury to property and premises if the insured is the owner, caused by an actual or attempted burglary, robbery, theft or larceny.

In considering the question of residence burglary insurance, many people think only of the losses resulting from burglary—property taken after forcible entry into the premises has been effected by the use of tools, etc., and are not inclined to pay much attention to theft and robbery. But a tabulation of the losses paid by insurance companies over a period of years under residence burglary and theft policies, published not long ago, showed that 42 per cent resulted from burglary and that the remaining 58 per cent were theft and robbery losses.

THERE is no doubt that a large part of the loss from theft represents property stolen by servants, casual employees, deliverymen, pseudo-inspectors, key-workers, etc. Not only are many successful burglaries the result of "tips" given by servants, but many losses represent the acts of servants themselves. Casual employees, making repairs, cleaning, etc., also constitute a theft hazard. Even though precautions may be taken to prevent theft by such persons, they usually have an opportunity to take some property if so inclined. While full-time servants may be employed only after a careful character investigation, yet a number of them yield to temptation when handling jewellery, clothing or other valuable property.

It is obvious that the burglary and theft hazard is greatly increased by the absence of the family from home. Vacations, trips abroad, weekend trips, motor tours, golf, bridge, motion pictures, and the theatres frequently take everyone from the residence, which gives the burglar or thief ample opportunity and time to carry out his operations. These underworld characters have various ways of finding out about the family's absence. Drawn shades, an accumulation of mail and papers seen on the porch or in the vestibule, unanswered telephone calls, and newspaper personals and social items are a few of the ways by which their absence is discovered.

Most people are inclined to feel that only jewellery, silverware and furs require protection against such depredations, but the statistics show that 50 per cent of the losses paid for by insurance companies are for clothing, rugs, furnishings, radios, sport and musical instruments, firearms, etc.; also that 20 per cent of all losses are for clothing other than furs.

FREQUENTLY visits of thieves and burglars result in extensive damage to the premises. Sometimes this damage takes the form of malicious injury to decorations, hangings, wall coverings, paintings, etc., in addition to the damage caused by the use of tools employed to gain entrance to the building and to force open desk and bureau drawers, wall safes and other receptacles which these plunderers break into in their search.

Many persons place jewellery, sterling silver and other valuable property, when not in use, in safe deposit boxes for safekeeping. Courts generally hold financial institutions renting safe deposit boxes responsible for the loss of customers' property only when negligence is shown on their part in protecting such property. Under the modern residence burglary policy, property in safe deposit boxes

is covered in the same way it is protected when contained within the residence premises.

As to whose property is protected under the policy, it may be pointed out that the coverage applies: (1) to property owned by the insured or by a permanent member of his household, not paying board or rent, or by a relative permanently residing with him; (2) to the extent of 25 per cent, of the limits of liability specified in the policy, to property owned by others, including employees who, for the purpose of the insurance, are not considered members of the insured's household.

What is meant by the word "premises" in the policy is shown by the following explanation: If an entire building is occupied, the entire interior is the premises; if two families occupy one building, the interior of that section occupied by the insured is the premises; if more than two families occupy one building, the interior of the apartment or rooms occupied by the insured is the premises.

WITH regard to coverage of entrances and porches, the policy provides that if the insured occupies a private residence or a section of a two-family building, \$100 of the insurance (excluding insurance on money on securities) is extended to apply to entrances and porches not completely in the building but which are a part of it. This amount can be increased for an additional premium.

In the same way, if the insured occupies an apartment in a building occupied by more than two families, \$100 of the insurance (excluding insurance on money and securities) is extended to apply within basements, laundries, and rooms in or attached to the building, and provided for the common use of all tenants, or within porches or storerooms similarly located and provided for the sole use of the insured. This amount can be increased for an additional premium.

Property in garages, stables or outbuildings, excepting money, securities, animals, birds, motorcycles, automobiles or their equipment, is also protected to the extent of \$100 if such garage, stable or outbuilding is occupied by the insured and is located in or adjacent to the building containing the premises. This amount can be increased for an additional premium, and the usual property contained in such buildings can be covered.

Another valuable feature of the modern policy is that it grants six months' permissible unoccupancy without notification to the company. This period can be increased for an additional premium. The premises are deemed to be occupied if a member of the household or a caretaker remains there in every night, or if let or sublet. The insured may let or sublet without notification to the company, except for use as a boarding or lodging house or for business or professional purposes. When the premises are let or sublet, the company is not liable for loss of money, securities and articles of adornment, jewellery, etc., or for property belonging to the tenant or a member of his household. Knowledge by a tenant of a loss is considered knowledge by the insured, and must be immediately notified to the company.

Under the policy, the insurance company, it should be noted, is not liable for loss of articles carried or held as samples or for sale or for delivery after sale, nor is it liable for loss should the premises be used wholly or partly as a boarding or lodging house or for business or professional purposes, unless stated in the declaration and the proper premium charged.

MONTH'S SALES TOTAL \$35,158,000

SALES of new ordinary life insurance in Canada and Newfoundland for November, 1935, by nineteen companies having 91 per cent of the business in force, totalled \$35,158,000.

Detailed sales were as follows: British Columbia, \$2,620,000; Alberta, \$1,251,000; Saskatchewan, \$1,320,000; Manitoba, \$2,137,000; Ontario, \$15,599,000; Quebec, \$9,540,000; New Brunswick, \$906,000; Nova Scotia, \$1,256,000; Prince Edward Island, \$138,000; Newfoundland, \$391,000.



HOROSCOPE!

Today will be a profitable day for all who invest in Sun Life Policies.

Their health will be better because their minds will be free from unnecessary anxiety as to the future.

Married men will be particularly fortunate if they take advantage of the newest Sun Life plan "FAMILY PROTECTION & RETIREMENT POLICY" which is a complete programme in one policy.

Bachelors need not despair, however. There are attractive Retirement Income plans available which will enable them to get more pleasure out of life now, happy in the knowledge that when they are ready to retire a guaranteed income will be waiting for them.

Today is the best day to invest in a Sun Life Policy.

Sun Life Assurance Company of Canada

Head Office Montreal

United States
Fidelity & Guaranty
Company
TORONTO

THE
LONDON &
LANCASHIRE
INSURANCE CO.
Security \$72,943,144
W. R. HOUGHTON, Manager



FOR 80 YEARS
"CANADA PERMANENT" has had and fully merited the confidence of many thousands of investors, no one of whom has at any time in that long period experienced the slightest delay in the receipt of funds to which he was entitled.

FOR 80 YEARS

"CANADA PERMANENT" has not only effectively safeguarded but has been a growing asset to Canada, and the

SAFE DEPOSITORY FOR SAVINGS
CANADA PERMANENT
MORTGAGE CORPORATION
Head Office, 320 Bay St., Toronto
Combined Assets Exceed \$100,000,000

METROPOLITAN CANADIAN FIELD CHANGES

THE following promotions and changes in the field staff are announced by the Canadian Home Office of the Metropolitan Life Insurance Company, formerly known as the Canadian Life Assurance Company, now absorbed and reorganized under the name of The Canadian Life Assurance Company. Frank J. G. Thomas, formerly manager of the Toronto office, has been appointed manager of the Montreal office. Charles F. Melling, formerly employed as field agent at the 1909 Watson, Ontario, has been appointed assistant manager of the same office. Frank J. G. Thomas, manager of the Regina-Saskatoon district, Frank G. Samoxville, formerly employed as general assistant manager at Canadian Territories, is appointed assistant manager at the Guelph, Ont., district. Frederick L. Gauthier, formerly employed as agent at the Kitchener detached section of the Waterloo, Ont., district, is appointed assistant manager at the same detached section.

MILL OWNERS QUEBEC INSPECTOR

E. SAMS, Manager for Canada of the Mill Owners Mutual Fire Insurance Company, Hamilton, Ontario, has announced the appointment, effective December 1st, of Mr. Victor Houle of Montreal, as Chief Inspector for the Province of Quebec. Mr. Houle has had nineteen years' experience in fire insurance in Eastern Ontario and Quebec, the last eight having held the position as Inspector for several of the largest non-board companies.

Sun Life Assurance Company of Canada

Head Office Montreal

Sickness and Accident Protection for Masons

Unusually attractive policies offering adequate indemnity at very favourable rates. Issued by the only all-Canadian company providing insurance against accident, sickness and accidental death, exclusively for members of the Masonic fraternity. Agents in all principal cities and towns of Canada.

Head Office: GRANBY, QUE.

The Protective Association of Canada

SN

ALLIANCE ASSURANCE COMPANY LTD. of London, England
Established 1824
FIRE AUTOMOBILE CASUALTY

Head Office for Canada—MONTREAL—E. E. KENYON, Manager

Toronto General Agents—ALFRED W. SMITH, SON & RIDOUT, LTD.—5 Toronto St.—Phone ELgin 5145

NORTHWESTERN MUTUAL FIRE ASSOCIATION SEATTLE WASHINGTON

BRANCH OFFICES

TORONTO
HAMILTON
OTTAWA
VANCOUVER
VICTORIA
EDMONTON
CALGARY
SASKATOON
WINNIPEG
MONTREAL
QUEBEC CITY
ST. JOHN
HALIFAX

WRITING FIRE AND AUTOMOBILE INSURANCE AT COST, ASSETS \$5,183,603.19

ALL POLICIES NON-ASSESSABLE PAYING DIVIDENDS RANGING FROM 20% TO 30% ON RENEWALS

The Independent Order of Foresters

Issues the Four Square Protective Certificate, in amounts from \$100 to \$5000, paid-up at sixty-five, with Double Indemnity features. It provides complete protection, with Disability and Old Age Benefits.

Associated with membership are many valuable Fraternal Benefits, including a Sanatorium for members suffering from Tuberculosis; the upbringing and education of Full Orphans; members' Agreements; the services of a Cancer Clinic and, in many jurisdictions, Medical Attendants, and Sick and Surgical Benefits.

FRANK E. HAND, Supreme Chief Ranger

HEAD OFFICE, TORONTO, CANADA

Insure AT COST!
FIRE, TORNADO,
SPRINKLER and
INSURANCE
LEAKAGE
20% TO 30% DIVIDENDS
AT STANDARD RATES
MILLIONERS MUTUAL FIRE INSURANCE CO.
CANADIAN AGENT
HAMILTON ONT
Inquiries invited from
Established Agents
in every Province

In Windsor enjoy
NORTON PALMER
Hospitality



The business and social centre of the city. 350 spacious, airy guest rooms. Soft beds and quiet corridors. Service that always satisfies. A really good cafeteria. Dance while you dine in the luxurious English Grill.

RATES:
Single \$1.50—\$6.00
Double \$2.50—\$5.00
Twin \$4.00—\$6.00

To Investors in Mining Securities

For the service of investors in mining stocks who wish to obtain more complete and detailed information on mining companies and properties than it is possible to furnish in "Gold & Dross", Saturday Night is now prepared to supply an individual interpreted analysis, including a complete financial and statistical report as well as an authoritative comment on the outlook, on any mining company and property in Canada.

The price to Saturday Night readers
for each such analysis will be \$10.

SATURDAY NIGHT
73 Richmond St. West, Toronto — Telephone AD. 7361

**BRITISH TRADERS
INSURANCE CO., LIMITED**

HEAD OFFICE FOR CANADA - TORONTO
Total Assets Over \$31,000,000.00
BRANCHES - MONTREAL, WINNIPEG, VANCOUVER
British and World-Wide
COLIN E. SWORD
Manager for Canada

**FIRE
AUTOMOBILE
MARINE**

Both the Assured and the Agent benefit by association with

The Casualty Company of Canada



HEAD OFFICE TORONTO
Everything but Life Insurance—Agency Correspondence invited.
GEORGE H. GOODERHAM,
President.

A. W. EASTMURE,
Managing Director.

A CAREER

We have room on our Agency Force for men of integrity and ability, who are not afraid of hard work, who want to make insurance their career.

Our agents have the facilities of all branches of Life, Fire and Casualty Insurance and the advantage of representing an old Canadian Company.

Our Head Office Agency Department or any Branch Manager will welcome an enquiry.

**The DOMINION of CANADA
GENERAL INSURANCE CO.**

Established 1887

HEAD OFFICE TORONTO

Montreal, Ottawa, Hamilton, London, Winnipeg, Calgary and Vancouver

A COMPLETE SERVICE for Insured and Agent



8 company claims offices in leading centres in Ontario—claim service arrangements in the United States—complete coverage for automobile, fire, accident, teams, burglary, plate glass, cargo, elevator, general liability, and fidelity and surety bonds.

HEAD OFFICE: 199 BAY ST., TORONTO

PILOT INSURANCE COMPANY

OPERATING FROM ATLANTIC TO PACIFIC
"Canada's Largest Fire Mutual"

**The WAWANESA MUTUAL
INSURANCE CO.**

Ranks 3rd against all companies on total volume of fire business written in Canada.

FIRE WINDSTORM AUTOMOBILE

Reliable Agents wanted in Districts not now Served.
Head Office—WAWANESA, Man.

Eastern Office—341 Church St., Toronto, Ont.
Branches also at Vancouver, B.C.; Edmonton, Alta.; Regina, Sask.; Winnipeg, Man.; Montreal, P.Q.; and Saint John, N.B.



WHEN YOU GO ABROAD

Carry your money in a safe, convenient form by using Travellers' Cheques. These may be purchased at any branch of The Royal Bank and are negotiable wherever you go. Travellers abroad will find a friendly welcome in the Bank's overseas offices.

THE
**ROYAL BANK
OF CANADA**

couraged. Any such development would be a national disaster of the first magnitude.

"As the Honourable Charles Dunning, Minister of Finance, said in a recent address to the Life Insurance Officers' Association, Life Insurance 'constitutes the greatest economic trusteeship within the boundaries of this country.' In our regard for this trusteeship our chief consideration must always be the personal interests of our policyholders. It is these interests that merit the attention of all men in public life. Life insurance is a big institution—the biggest in this country. But it is big only because it represents, as Mr. Dunning said, 'the accumulation of little sums mobilized for the benefit of this nation.'

**SWITZERLAND GENERAL
LICENSED IN CANADA**

ON December 7 a Dominion certificate of registry was issued to the Switzerland General Insurance Company, Limited, authorizing it to transact in Canada the business of fire insurance and, in addition thereto, falling aircraft insurance, earthquake insurance, tornado insurance, hail insurance, sprinkler leakage insurance, limited explosion insurance and riot and civil commotion insurance, limited to the insurance of the same property as is insured under a policy of fire insurance of the company. J. H. Pigeon, Montreal, has been appointed the Canadian Chief Agent.

**WAPITI HAS DOMINION
CHARTER**

AFTER operating for over seven years as a provincial company, The Wapiti Insurance Company, one of the Wawanesa group, recently took out a Dominion charter and license. Subscribed capital totals \$350,000 with \$140,000 paid up. There is also an additional surplus of \$70,000. Head Office is in Wawanesa, Manitoba. Fire, windstorm and casualty lines will be written non-tariff.

Following are the officers: President, A. J. Elliott; Vice-President, G. H. Stephens; Managing Director, C. M. Vanstone; Secretary and Underwriter, H. E. Hemmons; Treasurer, E. L. McDonald.

Editor, Concerning Insurance:

A client of mine is considering taking a policy providing for benefits for loss of life, limb, sight or time by accidental means or loss of time in the Mutual Benefit Health and Accident Association, with head office in Toronto.

Would you give me some particulars as to this Association and advise me as to whether you consider it a safe one in which to insure?

E. D. R., Oranville, Ont.

As the Mutual Benefit Health and Accident Association of Omaha, Nebraska, with Canadian head office at Toronto, is regularly licensed in this country and has a deposit with the Government at Ottawa of \$44,000 for the protection of Canadian policyholders, it is safe to do business with. It is required to maintain assets in this country in excess of its Canadian liabilities, so that claims of Canadian policyholders are readily collectable.

It has been in business since 1910, when it was incorporated as an assessment society, but has only been operating in Canada since December 11, 1934, when it received a Dominion license. Its total assets at the end of 1934 were \$2,956,564, while its total liabilities, including \$315,000 reserve for contingencies, amounted to \$2,921,271, showing surplus or unassigned funds of \$35,293. Its total income in 1934 was \$6,449,163, and its total disbursements, \$6,291,121, of which \$3,681,728 was paid in claims.

Editor, Concerning Insurance:

I am writing to ask for any information you can give me regarding the Stanstead and Sherbrooke Fire Insurance Company of Sherbrooke.

I am particularly anxious to know if a policy in this company would be considered perfectly safe to protect trust funds under a first mortgage which covers a dwelling house property and where the lot itself would be worth practically very little so that the entire security of the loan is in the building itself, in which case should a fire occur, a financially strong insurance company behind the risk would be absolutely essential.

I would, therefore, be glad to have your views regarding the above mentioned stock mutual company.

H. F. J., Port Hope, Ont.

You need be under no misgiving as to the safety of insurance placed with the Stanstead and Sherbrooke Fire Insurance Company. This company has been in business since 1855, over a hundred years, and has long occupied a strong business and financial position.

Policyholders are amply protected, and all claims are readily collectable. At the end of 1934 the total admitted assets of the company were \$960,585.37, while the

total liabilities except capital amounted to \$227,094.72, showing a surplus as regards policyholders of \$733,490.65. When this amount is compared with the amount of the unearned premium reserve liability, \$200,286.98, it is seen that the financial position of the company in relation to the volume of business transacted is a very strong one.

Editor, Concerning Insurance:

I am considering taking an insurance annuity and would like to have your opinion of the participating and non-participating plans. I have obtained figures from several reliable companies and am in doubt as to which would be the most beneficial, the guaranteed monthly income only, or by paying the greater premium, the same guaranteed income plus an additional income from dividends, which is estimated and not guaranteed.

M. M. T., Toronto, Ont.

It is impossible to say in advance whether the participating or non-participating plan will prove the more beneficial in the case of an insurance annuity. It will depend upon the future trend of interest rates and surplus earnings of the companies. If the interest rate and surplus earnings increase, the likelihood is that the participating plan will yield better results in the long run. Otherwise, the non-participating will produce a lower net cost for the benefits contracted for in my opinion.

Editor, Concerning Insurance:

I would appreciate it if you would give me some information in regard to the Time Insurance Company of Milwaukee, Wisconsin.

I would like to know the extent of their operations, their financial standing, and whether or not they are licensed in Canada.

S. W. L., Winnipeg, Man.

Time Insurance Company of Milwaukee, Wis., was incorporated and commenced business in Wisconsin in 1910. It succeeded the Time Indemnity Company, an industrial mutual accident and health company.

At December 31, 1934, its total admitted assets were \$298,467.51, while its total liabilities except capital amounted to \$82,277.00, showing a surplus as regards policyholders of \$216,190.51. As the paid up capital amounted to \$75,000.00, there was a net surplus of \$51,130.51 over capital and all liabilities.

This company is not registered in Canada and has no deposit with the Government at Ottawa for the protection of Canadian policyholders.

Editor, Concerning Insurance:

Any information you might be able to give me regarding the Half-Tire Fire Insurance Company will be appreciated. Is it liberal in its "adjustments"? Has it ample reserves? As it is, we understand non-tariff in its rates, would you give your opinion as to its strength and adjusting policy in comparison with tariff companies?

W. J. B., St. Thomas, Ont.

Beginning business in 1809, the Halifax Fire Insurance Company is the oldest Canadian fire insurance company in existence, so far as I know. It is also one of the strongest companies in the business, with ample reserves, and enjoys an excellent reputation for prompt and satisfactory claim settlements.

At the end of 1934 its total admitted assets were \$5,149,531.80, while its total liabilities except capital amounted to \$2,055,387.48, showing a surplus as regards policyholders of \$3,393,944.32. Comparing this amount with the amount of the unearned premium reserve liability, \$702,670.40, it will be seen that the company occupies a very strong financial position in relation to the volume of business transacted.

It is closely affiliated with the Home Insurance Company of New York, the largest American fire insurance company, and operates in the United States as well as in Canada, thus securing a wide spread of risks.

Editor, Concerning Insurance:

I am writing to ask for any information you can give me regarding the Stanstead and Sherbrooke Fire Insurance Company of Sherbrooke.

I would, therefore, be glad to have your views regarding the above mentioned stock mutual company.

H. F. J., Port Hope, Ont.

You need be under no misgiving as to the safety of insurance placed with the Stanstead and Sherbrooke Fire Insurance Company.

This company has been in business since 1855, over a hundred years, and has long occupied a strong business and financial position.

Policyholders are amply protected, and all claims are readily collectable. At the end of 1934 the total admitted assets of the company were \$960,585.37, while the

total liabilities except capital amounted to \$227,094.72, showing a surplus as regards policyholders of \$733,490.65. When this amount is compared with the amount of the unearned premium reserve liability, \$200,286.98, it is seen that the financial position of the company in relation to the volume of business transacted is a very strong one.

Editor, Concerning Insurance:

I am considering taking an insurance annuity and would like to have your opinion of the participating and non-participating plans. I have obtained figures from several reliable companies and am in doubt as to which would be the most beneficial, the guaranteed monthly income only, or by paying the greater premium, the same guaranteed income plus an additional income from dividends, which is estimated and not guaranteed.

M. M. T., Toronto, Ont.

It is impossible to say in advance whether the participating or non-participating plan will prove the more beneficial in the case of an insurance annuity. It will depend upon the future trend of interest rates and surplus earnings of the companies. If the interest rate and surplus earnings increase, the likelihood is that the participating plan will yield better results in the long run. Otherwise, the non-participating will produce a lower net cost for the benefits contracted for in my opinion.

**SHAW & BEGG
LIMITED • ESTABLISHED 1885
Security. Stability. Service**

Non-Board Facilities—Canadian and Ontario Managers

WELLINGTON FIRE INSURANCE COMPANY Established 1860	Assets \$ 1,158,088.08
FEDERAL FIRE INSURANCE COMPANY OF CANADA Established 1923	Assets \$ 870,301.95
CONSOLIDATED FIRE & CASUALTY INSURANCE CO. Established 1911	Assets \$ 751,686.60
MERCHANTS FIRE INSURANCE CORP. OF NEW YORK Established 1910	Assets \$12,454,559.00
PACIFIC FIRE INSURANCE COMPANY Established 1881	Assets \$ 5,674,422.72
NEW JERSEY FIRE INSURANCE COMPANY Established 1910	Assets \$ 5,625,259.66
MILITIA NATIONAL INSURANCE COMPANY Established 1873	Assets \$ 5,555,497.66
UMBERMEN'S INSURANCE COMPANY Established 1885	Assets \$ 4,528,294.55
STANSTAD & SHERBROOKE FIRE INSURANCE CO. Established 1873	Assets \$ 960,585.37
AMERICAN AUTOMOBILE INSURANCE COMPANY Established 1911	Assets \$ 12,085,861.26

TORONTO REPRESENTATIVES

GORE DISTRICT FIRE INSURANCE COMPANY Established 1889	Assets \$ 2,056,871.69
ECONOMIAL FIRE INSURANCE COMPANY Established 1873	Assets \$ 1,990,264.42
PERTH FIRE INSURANCE COMPANY Established 1869	Assets \$ 1,422,590.94
PROVINCIAL INSURANCE COMPANY LIMITED Established 1905	Assets \$ 7,011,678.15
BRITISH OAK INSURANCE CO. LIMITED Established 1908	Assets \$ 2,526,718.66

Application for Agents invited and brokerage 20% off from agents requiring Non-Board facilities.
INSURANCE EXCHANGE BUILDING
14-24 Toronto St., Toronto, Ont.
H. BEGG, President and Manager.

**Chimes of Old
Norwich**



Old Norwich Cathedral Bells have chimed out 158 New Year's Greetings since this company was formed in 1797. Once more we wish you all a Glad New Year.

**NORWICH UNION
FIRE
INSURANCE SOCIETY LTD.**

FIRE • AUTOMOBILE • CASUALTY
Head Office for Canada 12 Wellington St., E., Toronto
E. M. WHITLEY, General Manager for Canada
F. W. LAMONT, Ass't Manager
C. G. PAUL, Ass't Manager

**CENTRAL MANUFACTURERS
Mutual Insurance Company**

1201 Concourse Building—TORONTO—Eglinton 7-207
MUTUAL FIRE AND AUTOMOBILE INSURANCE
Net Cash Surplus, \$2,047,052.56
Annual Cash Dividends Since 1875—Present Rate 25%
Paying Net Assumptions

**"THE BANKS
AND THE AVERAGE MAN"**

Copies of this
Supplement to the Nov. 23rd issue of
SATURDAY NIGHT

shortly available in

FOOD STORE ADVERTISING BENEFITS CONSUMERS

Chains Lead in Simplifying Shopping—Use of News-paper Space Helps Keep Prices Low By Main-taining Volume

BY DALTON J. LITTLE

FOOD was not advertised at retail, as a general rule, until the food chains came on the scene. Even in the early days of food chains, newspaper space was bought sparingly, if at all. Today every food and drug and shoe chain is a generous user of the newspaper as an advertising medium.

There is no doubt that competition is the life of retail advertising, for if there were only one merchant, or one chain, offering the values in goods and services which are offered today there would be less need for extensive newspaper advertising. This competitive merchandising has been one of the main driving forces in recent years behind the great volume of retail advertising.

The last few years of business depression has intensified the efforts of large retail organizations to maintain and increase sales volume. During recent years of the depression, advertising appropriations have been increased in the hope of continuing a sufficiently profitable volume of business to warrant continuance of low prices. Thus advertising which has been a leading factor in maintaining volume of trade per store has been reflected in low prices to the consumer.

The chains are keen competitors among themselves. Their entrance into the retail field prompted many aggressive independent retailers to organize in groups which are known as voluntary chains. While still operating their own stores as independent merchants these retailers have been enabled to buy their merchandise collectively. By placing large orders with the producers or manufacturers they have secured their stock of goods at better prices than had been possible for them previously. Similarly these voluntary chains, being independent merchants banded together under one name, have been able to buy as much newspaper space, and as favorably, as do the proprietary chain stores.

Prior to the beginning of chain store advertising, the retail food advertising was a rarity. Thus the chains not only have created their own advertising, but have been responsible for the creation of other retail food advertising.

PLANNING MENUS FROM ADVERTISING

THE average housewife has come to read the advertisements of the food chain store in the newspaper Thursday or Friday mainly to plan her weekend menu in keeping with her budget for household expenses. Her shopping of the weekend for the family table is her most important undertaking of the entire week in making provision for the family out of fare.

This opportunity afforded Mrs. Doe, or Mrs. Roe, to decide the weekend menu in the quiet of her home by referring to the chain store advertisements in her newspaper, has value not merely from the saving she may effect by taking advantage of attractive prices at which foodstuffs are listed, but it also greatly reduces the time element of shopping. She prepares her shopping list with accuracy and ease when it is most convenient for her to do so. Later when she proceeds to her favorite store she knows precisely what she intends to get, and what the items will cost. She does her shopping with a minimum of delay and discomfort.

The chain store operator also benefits by the advance knowledge of the shopper, in that he is able to give quicker and better service when she enters his store. From his point of view the saving in shopping time enables him to serve more customers with a given number of clerks, and so keep down his overhead expense. This saving he passes on to the customer who benefits by lower prices than would be possible otherwise.

The food chains originally were conceived as stores which would be operated in inexpensive places with modest fixtures, and which would have broad appeal to the public principally on the ground of low price made possible by rapid turn-

over. Profits and rapid turnover still are the cardinal policy of the successful chains but the companies operating larger types of stores found that they needed more expensive locations which means locations in the centre of populous residential areas, or on good corners. Or, as has happened in many districts, the location originally inexpensive became expensive by reason of the large number of shoppers the chain attracted to it.

BENEFITS OF ADVERTISING

IT IS possible that the average consumer would say that she reads the chain store advertisements to learn the prices prevailing on the week-end of her shopping. Price is a prominent feature of such advertisements, and may be unduly emphasized. It is equally true, however, that strict adherence to claims made in advertising are observed, and that the reader of the advertisement is directed to "value", and not price alone.

Chain stores today have much more to offer than low prices based upon rapid turnover of a large volume of merchandise. They realize they must offer more than the price appeal. New and more modern stores with attractive merchandise displays are the order of the day. In fact, the chain stores are examples of the latest and most efficient shops. Up-to-date refrigerator and other special equipment is provided for the preservation and protection of perishable edibles. All such products are transported to the retail outlet as rapidly as possible, and in a manner that guarantees their retention of natural appearance of freshness, flavor and food value.

The care exercised in the selection of employees, and in the development of store personnel are also of primary concern to the management of the modern chain store. The chain store companies endeavor with the assistance of their clerks to give prompt and courteous service to their customers, and thus maintain and extend the goodwill which their advertising and other merchandising methods have created.

The advertising of commodities which formerly were seasonal in their sale has also benefited both customer and producer, and has tended to avert the ups and downs of business. Fresh vegetables used to be a foodstuff generally absent from the diet in winter in this country, being available only through a limited number of stores. Chain store advertising has had a great part in popularizing and thus made available green vegetables and fresh fruits, out of season locally, to all districts served by the chains.

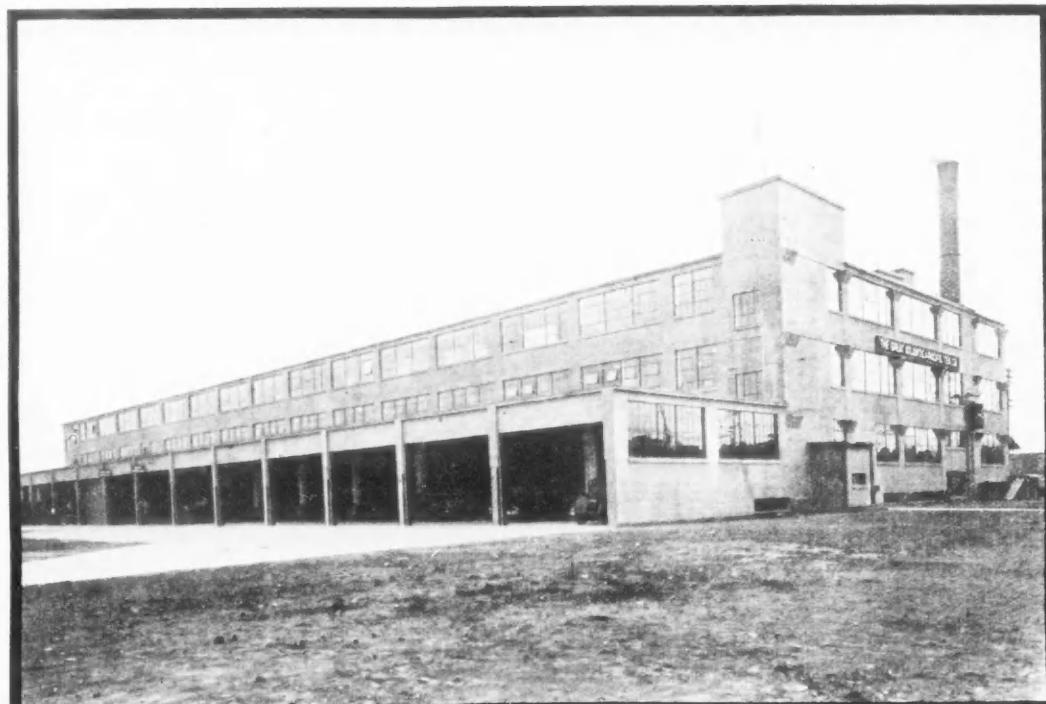
BUILDING FOR THE FUTURE

RETAIL advertising—whether it is chain store advertising or that of another type of store—depends for its success on the degree to which it builds for permanent customers. Occasional customers may be a factor in building sales for one week but the aim of all well conceived retail advertising is to impress the reader that as buying from the advertiser today is profitable, so regular dealing with his store is certain to be advantageous. This fact leads to the conclusion that the trend in chain store advertising will be to that kind which tells the customer about the store and makes her a friend, the so-called institutional type of advertising. The kind of advertising which rests its case on appeal to the bargaining instinct has less cumulative value.

"Put it down in black and white". "Get it in writing". These are familiar phrases. They imply proof of good faith, and they have a relation to chain store advertising. The store commits itself by its published advertisement. Every successful retailer recognizes that satisfied customers are his best advertisement, and he, therefore, must not misrepresent that which he sells, and must be particularly careful of the content of the appeal or claim which he makes by the printed text of his advertisement. Great care is exercised by the executives of chain store organizations to avoid any semblance of misrepresentation, so that the customer may buy with confidence. The consumer's goodwill is the stake.

THESE articles on the Chain Store's place in modern merchandising are part of a series aiming to give Saturday Night readers a correct picture of this important factor in distribution. In the presentation of these articles Saturday Night has had the co-operation of leaders in the chain store field.

THE FINISHED WAREHOUSE AND BAKERY



This modern plant of the Great Atlantic & Pacific Tea Company is a number of plants in one. It houses the Canadian head office, bakery, which supplies Toronto district stores, the meat shipping warehouse with modern refrigeration plant; the grocery shipping warehouse; the fruit and vegetable shipping warehouse. Over 240 people are employed in this plant, and its establishment has brought healthy home building activity in the district with further tax revenue benefits to the city.

WHEN THE TRANSITION STARTED



The value to the community of chain store development—like other industrial development—is indicated by this illustration and that shown below. This Laughton Ave. "soccer" field of 1929 became in a few months the Canadian home of a great food distributing industry. Large sums were spent on material and labor and the tax revenue to the City of Toronto was increased by some \$6,000.00 a year.

WHERE DINERS-OUT BENEFIT

BY A. V. MADGE

MAN, it has been written, must eat to live. No one will deny the truism of this statement, but when, where, and what we eat and the manner of our eating are matters of the individual's volition, tempered only by the procurability of those dishes which at the moment might seem pleasant to the palate, and by the ability to pay for the meal and the quality of the service we require.

In order to satisfy the universal demand of mankind for food, many different types of restaurants and dining-rooms have sprung into existence, whether the individual's taste, or possibly his financial condition at the time, runs to The Quick Lunch, The Hot-Dog Stand, the epicurean dishes of an exclusive club, there is a place for him. Each kind of food serving establishment has been designed for the sole purpose of satisfactorily catering to the food requirements of certain definite types of patrons. Those establishments which have proven acceptable to a large number of food seekers have, naturally, experienced definite demands for the same class of service in proximity to places of business and to homes. To meet such demands there has come into being the modern chain restaurant organization.

FOR THE "EATING-OUT" PUBLIC

SEVERAL thoughts are brought to mind when considering the advantages to the public in the operation of a chain of restaurants by a single proprietor.

The mere fact that the chain restaurant is almost invariably successful in operation proves beyond a doubt that its advantages are recognized by "The Eating-out Public." The necessity of going to one particular locality in order to secure the service and the kind of meal desired is obviated as it becomes merely necessary to enter the nearest branch, with the knowledge that the predominant features of that particular chain will be maintained. And each additional unit is an aid to the organization, for the experience gained from the operation of widely scattered branches gives the chain restaurant executives a much better cross sectional analysis of the food tastes and service requirements of the public that a single restaurant could possibly ever give. Such analysis is being constantly made by all up-to-date chains and the results are reflected immediately on the menus and through the working methods of a well trained personnel.

As a doctor keeps pulse and respiration records of his patients, so must the successful restaurateur keep, and follow implicitly, records showing the impressions of his guests. Centralized control, one of the outstanding features of chain operation, permits if necessary the immediate alteration of any or all policies of the organization and subsequently greater dish variety and comfort for the restaurant guest is assured. The greater spread of overhead expenditures to a number of units enables the chain restaurant to secure not only better quality in the foodstuffs purchased and the serving of better meals at moderate prices but, also, permits them to engage the highest calibre of employee obtainable. It is rarely that one individual can master all the ramifications of the art of preparing and tastily serving good food in attractive surroundings, so in the chain restaurant we have engaged a number of the food-stuff specialists just as in the high grade hotels or high priced individual restaurants.

Meat, Dairy, Vegetable, Grocery and Bakeshop experts exercise direct control over every pound or item of foodstuffs purchased. Culinary artists are continuously endeavoring to turn such products into balanced, well cooked, eye-appealing dishes. Staff Maintenance departments are responsible for the actual physical comfort of all guests. Sanitation, Interior Decoration, Ventilation, General Layout and even the non-skidability of the floor and the correct heights of tables and chairs are part of the consideration of this department. There is an old restaurant saying that, "If you displease the eye, you displease the appetite." Danger of offending in this respect is guarded against by the chain-restaurant organization.

Restaurants have been practically compelled to prepare and serve dishes having that certain something different from the meals which are served in the home. The average restaurant patron can

detect almost instantaneously those products which are turned out in large quantities and sold either over the counter or from door to door, thus finding their way to the family dining table. It is not intended to underestimate the quality products of these better class manufacturers or retailers; nevertheless, such products do not satisfy the taste of the restaurant public who go to a restaurant quite largely for a change, and chain restaurants have found it expedient either to inaugurate their own centralized bakeshops, or to have manufacturing bakers make bread, pies, etc., to a special recipe. These restaurant bakeshops in no manner infringe upon the territory of the retail baker as their sole existence is devoted to supplying the chain's units with pies, cakes, tarts, rolls, breads and other items produced to the definite standards which are pleasing to the restaurant's clientele. This entails an outlay for bakeshop experimental work which perhaps no restaurant but that of the chain type could sustain. Without doubt a great deal of the popularity of the chain restaurant can be directly traced to the products originating in their private bakeshops.

HELP IN GUARDING PUBLIC HEALTH

CHAIN restaurants have become recognized as leaders in the fields of sanitation and public health; special machinery for washing and sterilizing table ware is the general rule rather than the exception. A smear taken from a cracked plate and a few moments observation with a microscope is enlightening; it would deter anyone from ever again permitting a meal to be served to them on cracked chinaware. Chain restaurants do not merely discard such articles of equipment but they have done a great deal towards giving the general public knowledge of such unsanitary conditions. Which leads us to another thought: a certain widely known restaurant chain in Canada has gone out of its way to permit the general public to make use of employee training films which depict the complete operations of their restaurants and intimately disclose certain details of restaurant management which might be termed by other industries as being trade secrets, such as the formulae used in the preparation of popular dishes. By telling the public what it may expect from any restaurant and what it should insist upon receiving from all restaurants good is done; and while the public may be receiving valuable restaurant secrets at the same time they are gaining confidence in the industry as a whole. The difference between the unsanitary manner in which food products were handled a few short years ago and the sanitary and precautionary restaurant methods of today brings out, better than mere words can tell, the prestige which the chain restaurant has brought to the occupation of serving meals, and building on the foundation of Louis Pasteur's mighty work, mirrors the effective disease prevention thoughts of the times.

The restaurant employee has often been regarded as a being remote from other fields of industrial activity. He is the public of other industries; his pay envelope permits him to become a purchaser of the commodities other industries manufacture or trade in. In this respect the remuneration he receives directly affects other industrial units. Chain restaurants almost invariably have higher wage rates for employees than all but the very exclusive restaurant owner can afford to pay. Chain restaurants have for some time been attempting to have the proper minimum wage laws revised to include restaurant employees: they have no fear of such a law, wage scales as set by them are generally considered in excess of those applicable to other industries.

THE restaurant field has left the menial stage far behind and is rapidly becoming of major importance in modern business life. Men who have taken as their life work this branch of industry have gained prominent recognition. The chain restaurant is not, like its predecessors, a fly by night feeding house. In efficiency it ranks with any industry. The chain restaurant has attracted executives of outstanding ability and under such guidance and the analysis of customers' tastes and service requirements which the chain organization can give, insures the permanence of this industry.

THE UTILITY MESS IN THE U.S.

Atmosphere of "Irrational Antagonism" Governs Relations Between U.S. Government and Public Utilities

BY WALTER LIPPmann

THE present relations between the government and the utilities of the United States are little short of being a disgrace to the country.

For whatever may be the merits of the main questions in dispute, the plain fact is that they are being dealt with in an atmosphere of irrational antagonism which makes their solution impossible. There is the statute driven through a reluctant Congress last summer which has now engendered tremendous lawsuits. When the courts decide the lawsuits, nothing will really have been decided. If the courts uphold the government, there still remains the job of administering a law which the administrators themselves know is virtually impossible to administer. If the courts decide for the utilities, the whole question of how they are to be regulated will have to be reopened. In the meantime, the electric industry itself, one of the most important of all American industries, is kept in a condition where private initiative is stalled and public regu-

lation is ineffective. If ever there was an example where it is heads and everyone loses, tails and no one can win, it is this one.

The correct way to describe this state of affairs is to say that it is a breakdown of statesmanship. It is the business of statesmen to solve problems and in this case the problem is not being solved. On the contrary the solution has been made more difficult. For on top of the original question of how to regulate the utilities we now have the question of how to deal with two groups of fanatically embittered men.

It is time that the bystanders intervened and began to look around for someone with the will and the imagination to turn this war into a negotiation, this interminable brawl into a settlement.

THE electric utility industry, being a new industry, is in the hands of bold and enterprising men. It is still in the phase of its development. It has not yet settled down, like an old industry, into a

settled routine. And this means that the executives, by and large, are like all pioneering individualists, the railroad builders, for example: men who are courageous to the point of recklessness, men of initiative rather than men who move in the grooves of an established tradition.

The result has been a truly sensational development of the industry as a supplier of electricity at diminishing cost and increasing efficiency. But this development has been accompanied by many grave abuses of trust and much flagrant profiteering. The industry is a natural monopoly, and there can be no question of the right and of the duty of the government to regulate it and to stamp out its abuses. There is no doubt also that the President and Congress have a mandate from the people to see that the industry is regulated in the public interest and its abuses prevented.

In carrying out that mandate the President's zeal has, it seems to me, confused his judgment. He fell into a simple but fundamental error which is at the root of all the trouble. It was the error of treating the industry as a unit instead of dividing it into its good and its bad elements. There are in the industry, as everyone must know, executives and financiers who are and have been dismayed and angry at the kind of thing represented by the Insulls, who fully recognize that the utilities are a public business and must be thoroughly regulated.

A statesmanlike and workable utility policy would have been based on the principle of an alliance with the enlightened members of the industry against the unenlightened members. The practical criterion of how far the government could and should go at the present time was how far the enlightened elements could be persuaded to go and remain genuine supporters of the policy. A bill arrived at in this way would have been workable. For it would have meant the voluntary compliance of a large part of the industry and for the rest of the force of their example added to the force of the government.

Instead of proceeding in this way, which is the way of all seasoned and effective reformers, the President lumped the whole industry together, challenged the good and the bad, the better and the worse, at the same time. The inevitable result followed. The men who would have supported a reasonable program, who by their support would have isolated the irreconcilable reactionaries, were forced to make common cause with these reactionaries. In place of an opposition without much moral credit, the President created an opposition in which the sincere grievances of the better men became the protecting shield for the inferior men. He left them no power to discriminate as between good and bad utility policy because he himself refused to discriminate.

THAT this is the truth of the matter is proved, I believe, by the evidence presented in a speech by Mr. Wendell Willkie, president of the Commonwealth and Southern Corporation. This is one of the holding companies subject to the Death Sentence. Mr. Willkie asserts that in December of last year, prior to the introduction of the Wheeler-Rayburn bill, he "made an earnest endeavor to work out with responsible Federal agencies a procedure for the solution of the utility question." I shall not take the space to describe Mr. Willkie's program except to say that it provided in principle for complete government regulation of rates and of all the known abuses of the holding companies.

The compromise had the support, he says, "of a substantial portion of the utility industry," not of the whole of it but of what appears to have been more than half. There is good reason to think that the program had considerable support in Administration circles. But the President rejected it. And then there began the fight which has produced a poisonous antagonism between the government and all utilities, between the Administration and virtually all the financial interests of the country, between the President and literally hundreds of thousands of stockholders.

It is this antagonism which is now being litigated in the courts. It is this litigation which, however,

"QUARTERLY QUOTATIONS"

— An
Index
to Bond
Prices

The January issue of our Publication "Quarterly Quotations" lists nearly 300 Canadian and Foreign Bonds.

Current bid and asked prices are given, in addition to other information of value to investors in the appraisal and review of their security holdings.

A copy will be gladly forwarded upon request.

W. C. Pitfield & Company

Limited

235 St. James Street
Montreal

80 King Street West
Toronto

"THE RICH MEN OF 1935"

In 1932 a New York banker was asked who were buying stocks. "The rich men of 1935," he replied.

To date, the average value of 21 stocks we recommended in June, 1932, has increased 263%.

Copy of *classified list* sent on request.

F. H. DEACON & CO.

Members Toronto Stock Exchange

197 Bay St., Toronto • Phone: ELgin 3401

FRED H. DEACON

E. COULTER DEACON

H. L. EDMONDS

it is decided, can decide nothing finally. It is this prospect of indecision which prevents the utilities from contributing their very great part to industrial recovery.

It is clear, I think, that the way to solve the question is to resume the negotiations which were broken off in December, 1934, and to formulate a program of amendments to the present law which will be acceptable to the enlightened

I realize that a man who is committed hates to compromise. But many of the worst troubles of mankind arise because men have committed themselves to war and are ashamed or afraid to make peace. A reasonable man need not be afraid or ashamed to make peace. For though he may be taunted by the irreconcilables, the goodwill of reasonable men will be a sufficient compensation.

LONDON LOOKS AT U.S. POLICY

Continuance of "Indefinite and Largely Unintelligible" Policy is Fraught With Danger, Thinks London

BY GILBERT C. LAYTON

Saturday Night's Financial Correspondent in London

IF CRISIS in the United States coincides with crisis in European affairs it will not be mere coincidence. At least a contributory cause of the pending political crisis in America is sanctions, which, in the present connection mean oil. Oil is the final sanction, marking the limit of economic pressure on Italy. Washington is by no means

opposed to limiting exports of oil to Italy, as the Secretary of State has shown.

There is a commercial question involved also, however, as well as the irritable element in American politics led by Father Coughlin, and so Mr. Ikes keeps

close guard over his tongue, but in all probability his thinking is not diverted.

A more immediate problem, however, is America's silver policy. The London bullion market had not thought that Roosevelt's silver purchasing policy was based on whim, and dealings came to a complete standstill when the official American buying price for the metal was reduced and when American official buying orders ceased. The change of policy is perhaps a consequence of the demonetization of the white metal by China, but hardly suggest that until they were presented by this *fait accompli* they had not realized that the forcing up of the world price of silver would have any effect upon China save the favorable one of increasing her purchasing power.

In any event, a new state of affairs has been created in which it may soon be necessary to determine the "natural" which is in effect the commodity, value of silver. The laconic official statement from Washington to the effect that the Treasury was still fulfilling the provisions of the Silver Purchase Act, but would not discuss day-to-day developments in the world silver market nor the tactics that it would employ in meeting the situation created by the vacillations of its policy, augured a collapse in the price of the metal. A more hopeful situation was created, however,

by the United States' re-entry into the bullion market, though she bought only 500,000 ozs. at 27½d, and gave no indication that the intention was to continue the old purchasing policy.

It is suggested in certain quarters that America's game is a tactical one, and that while she is in fact prepared to carry out the obligations of the S.P.A., she will do it in the cheapest possible manner.

It is certainly possible that America has already some sort of an agreement with China, arranging for the exchange of Chinese silver for American gold, and since any such contract would be

based on the prevailing prices at the date of its signing, it is obviously to America's advantage to engineer a fall in the price of silver.

She would thus have it both ways, for if silver fell considerably, gold would react in the opposite direction.

Or, it is rumored, the United States is concerned to force China back to the silver standard. This,

with her control of the world price of silver, she is able to do, for if she refuses to buy Chinese silver,

the Chinese dollar cannot for long be maintained at the new level.

Any considerable depreciation would ring the death knell of the inconvertible paper currency and China would have no alternative to reinstating silver as the currency standard.

But by this time America's tactics might have changed and with a silver standard in China and silver price-raising by America, conditions would be back where they were a month or two ago.

FROM the beginning, the *vision d'écrit* of the silver policy has been somewhat obscure, even, possibly, to the United States Administration itself. It is on the cards that Roosevelt is considering the advisability of dropping altogether this "silver business," though it hardly seems that in his present precarious position he can afford to disregard the importunities of that

The Royal Bank of Canada

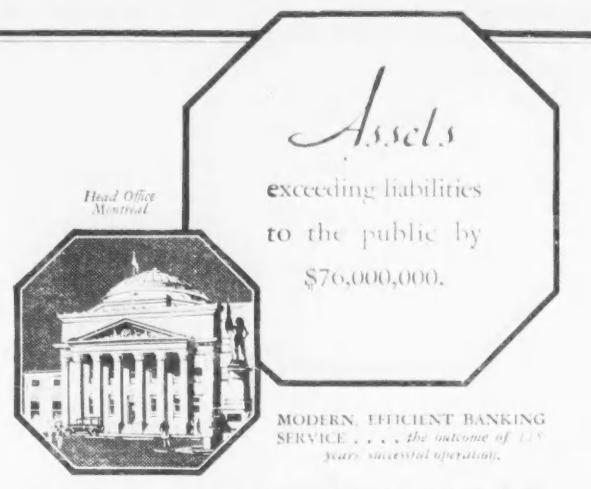


General Statement

30th November, 1935

LIABILITIES

Capital stock paid up	\$ 35,000,000.00
Reserve fund	
Balance of profits carried forward as per Profit and Loss Account	\$ 1,609,554.65
Dividends unclaimed	\$ 21,609,554.65
Dividend No. 193 at 8% per annum, payable 2nd December, 1935	13,299.63
Deposits by and balances due to Dominion Government	\$ 700,000.00
Deposits by and balances due to Provincial Governments	22,322,845.28
Deposits by and balances due to the public not included under the foregoing heads	\$ 57,322,845.28
Deposits by and balances due to Dominion Government	\$ 7,915,162.11
Deposits by and balances due to Provincial Governments	15,441,455.92
Deposits by the public not bearing Interest	194,257,142.74
Deposits by the public bearing Interest, including Interests accrued to date of statement	461,268,433.74
Deposits by and balances due to other chartered banks in Canada	559,098.76
Deposits by and balances due to banks and banking correspondents in the United Kingdom and foreign countries	8,922,220.16
Notes of the bank in circulation	688,366,512.51
Bills payable	32,568,425.74
Acceptances and Letters of Credit outstanding	22,026,376.60
Liabilities to the public not included under the foregoing heads	383,859.06
ASSETS	\$ 800,919,700.47
Gold held in Canada	\$ 2,483.16
Subsidiary coin held in Canada	1,205,397.63
Gold held elsewhere	3,032,551.46
Subsidiary coin held elsewhere	4,192,872.98
Notes of Bank of Canada	6,311,000.00
Deposits with Bank of Canada	55,188,756.03
Notes of other chartered banks	1,591,584.86
Government and bank notes other than Canadian	18,688,448.62
Cheques on other banks	688,366,512.51
Deposits with and balances due by other chartered banks in Canada	32,568,425.74
Deposits with and balances due by other chartered banks elsewhere	22,026,376.60
Deposits with and banking correspondents elsewhere than in Canada	383,859.06
ASSETS	\$ 90,244,514.74
Gold held in Canada	\$ 2,483.16
Subsidiary coin held in Canada	1,205,397.63
Subsidiary coin held elsewhere	3,032,551.46
Notes of Bank of Canada	4,192,872.98
Deposits with Bank of Canada	55,188,756.03
Notes of other chartered banks	1,591,584.86
Government and bank notes other than Canadian	18,688,448.62
Cheques on other banks	688,366,512.51
Deposits with and balances due by other chartered banks in Canada	32,568,425.74
Deposits with and balances due by other chartered banks elsewhere	22,026,376.60
Deposits with and banking correspondents elsewhere than in Canada	383,859.06
ASSETS	\$ 423,673,881.73
Gold held in Canada	\$ 2,483.16
Subsidiary coin held in Canada	1,205,397.63
Subsidiary coin held elsewhere	3,032,551.46
Notes of Bank of Canada	4,192,872.98
Deposits with Bank of Canada	55,188,756.03
Notes of other chartered banks	1,591,584.86
Government and bank notes other than Canadian	18,688,448.62
Cheques on other banks	688,366,512.51
Deposits with and balances due by other chartered banks in Canada	32,568,425.74
Deposits with and balances due by other chartered banks elsewhere	22,026,376.60
Deposits with and banking correspondents elsewhere than in Canada	383,859.06
ASSETS	\$ 217,124,161.59
Real estate	\$ 354,780.46
Real estate held by the bank	3,016,219.61
Liabilities of customers under acceptances and letters of credit as per contra	819,172.89
Deposits with and loans to controlled companies	\$ 47,007,220.38
Deposits with and loans to the Minister of Finance for the security of note circulation	67,385,528.07
ASSETS	\$ 20,376,177.89
Real estate	\$ 2,129.80
ASSETS	\$ 20,376,177.89
Real estate	\$ 2,129.80
ASSETS	\$ 47,007,220.38
Real estate	60,731,910.83
ASSETS	\$ 20,376,177.89
Real estate	\$ 2,129.80
ASSETS	\$ 47,007,220.38
Real estate	127,480,130.80
ASSETS	\$ 20,376,177.89
Real estate	\$ 2,129.80
ASSETS	\$ 47,007,220.38</



BANK OF MONTREAL
Established 1817

AMENDMENTS TO LABOR CODES FORESHADOWED

Continued from Page 17

layers and masons; tile setters; carpenters; sheet metal workers; electricians; common laborers; electricians; plumbers; steamfitters and gasfitters. The same ruling would apply to the cloak and suit industry, which states in part that "from and after January 1, 1936, a week's work shall consist of 49 hours, divisible as aforesaid save and except that no work shall be done on Saturday." Similar codes for a number of the foregoing trades in the Hamilton, Ottawa and Windsor zones are qualified if the millinery code is of no force of effect as an attachment under the Industrial Standards Act.

From the foregoing statement of conditions with respect to the legalities of the codes which have been issued, it is obvious enough it is evident that the whole administration of the Act is in jeopardy. It is to be expected that amendments to the measure, if introduced at the coming session of the Legislature, will make provision for stamping out of industrial undertakings in certain districts of the province as required by the parties to the agreement under the Act. That this measure is intended to check such a movement of industrial organizations from one district to another is evident from the fact that other organizations in trades in the code of the Dominion of Quebec and elsewhere in the province are endeavoring to add plowing rates to their scales under the heading of parity and equivalents of local rates. While the provinces that which the Parliament of Canada is agreed to be done.

AT ITS annual meeting in December, the Toronto Fibre Products Association decided to accept the situation of the 2000 men as submitted suggestions as to minor amendments to the Act, and the writer is informed the members will consider proposals in this connection at their first meeting of the new year which will be in early this month.

While there has been very widespread talk of the codes set up since this Act, the various trades in the beginning did try to have the minimum scale of wages was increased at the recommendation of 1000 persons in the life of the association of trades, it proved to be impossible to raise scale to 1000, and because of pressure from the government, the department of labor and the manufacturers of stoves and furnaces, the agreement was not being found practicable by the employers, no agreement was reached.

A SIMILAR attempt to effect an agreement under the Act in the stove industry of Ontario has met the same fate as that experienced in the woodworking industry in the Toronto zone, and for similar reasons. In the case of the stove manufacturers, in addition to the usual class of the employers to whom there is a very satisfactory improvement in employer relationship obtained by increasing wages to small groups within their plants, there arises also the question of competition with manufacturers of stoves in Quebec and the Maritime Provinces.

A analysis of all the stove manufacturers in Ontario showed that they were unanimous in their opposition to the proposed code. In many of these plants it was pointed out that not only would it mean raising the wages of a small group within these plants, but that it might also involve changing the hours of one department, closing it at 120 pm, and with no work Saturday for that department. It was found that large plants engaged in the manufacture of many products in addition to stoves would be working under several agreements with labor, and that chaos would result.

Many attempts have been made to bring about a code in the printing industry. The employers indicated their willingness to negotiate an agreement including provision for the determination of all wages and hours of work, working conditions, etc., by arbitration and mediation. The representatives of the trade unions signed the agreement, but later repudiated it. They wanted the conciliation and arbitra-

tion proposals deleted, and so the negotiations have been suspended indefinitely.

Agreement to submit all differences to arbitration would have obviated both strikes and lockouts, but the unions insist on retaining their right to strike, a strange attitude surely in the face of their avowed support of legislation intended to remove those conditions in industry which too often give rise to the use of force in the settlement of industrial disputes. One frequently hears the phrase these days, "No one wins a war," but apparently some trade unions prefer to stick to force of arms by holding fast to the "strike" weapon.

AN EFFORT to bring in a code for the photo engraving industry of the Province has also failed. It was sponsored by a few union shops in Toronto, including the Toronto daily newspapers, but was so unsatisfactory to the great majority of photo engraving firms, including the provincial dailies, that the attempt to negotiate an agreement was finally abandoned. The negotiators tried to include the employees in offset and lithography in the proposed schedule of wages and hours of work without notifying the employers in this branch of the industry.

The woodworking industry in the Toronto zone embraces a great diversification of products, and includes the manufacture of office furniture. The code for the furniture industry which was passed by order-in-council July 24th last, takes in the whole province with the exception of the City of Toronto. An attempt was made to bring all the woodworking departments of many large Toronto industries under a code. The employees affected considered the proposals which coincided with the agreement under the furniture industry, but found that they could not be adopted in many large manufacturing plants where, out of a total of hundreds of employees, the woodworking departments only consisted of a few men. To have brought the wage scale of these workers up to the proposed union scale would have resulted in an increase in their wages which would have brought their earnings up to a point out of all proportion to the cost paid the hundreds of other employees in the same plants.

So obstinate were the labor organizers that an agreement covering all woodworkers should be repudiated if it is stated that it is stated threats of labor disturbance were made by the trade union representatives. This threat to induce an agreement was reported to the Ontario Department of Labor by the committee of employers concerned. The movements of large industrial plants also reported that labor organizations styling themselves representatives of the Ontario Department of Labor gained access to their factories and proceeded to organize the employees. The proposed labor code for the woodworking industry not being found practicable by the employers, no agreement was reached.

That similar troubles have been experienced in the Province of Quebec in the administration of the Collective Labor Agreements Extension Act is evident from an article by a representative of employers recently published by the Montreal *Gazette*. One significant statement in the write-up reads as follows: "The development of the application of this law has misfired, we believe, due largely to the zealousness of the labor organizations, backed by the eagerness of the Department of Labor to do something outstanding for labor."

A representative of organized labor in Toronto writing in *The New Commonwealth* says: "It is the opinion of organized labor that this legislation, as it now is, and administered, is but a mess of potage, placed on the statutes with no desire that it will or can be made operative in the industries where organization is weak or exploited."

Thus the evidences of dissatisfaction with the labor codes in Ontario and Quebec, as indicated by the two foregoing quotations, continue to gain in number and extent.

NEW BOOKS

HENRY GEORGE UP TO DATE

"Land of Unemployment," by James F. Muirhead; Toronto, Oxford Press; \$2.25.

BY B. K. SANDWELL

THESE troublous times have seen the rise of an immense number of wild and fantastic projects for the remedying of our economic life. It would not be surprising if they should eventually see the resurgence of an old proposal, much less wild and fantastic, which failed to make much headway in the closing quarter of the 19th century because there was then no such general recognition of the fact that our economic ills need radical remedies. The proposal in question was that of the appropriation by the State of the economic rent of land, as popularized by Henry George under the misleading title of Single Tax.

The case for refusing to recognize any individual proprietary rights in the natural qualities of the soil and subsoil is immensely stronger than the socialist case for refusing to recognize any such proprietary rights in any instrument of production whatsoever. It made a profound impression upon the late Dr. Muirhead, who came to consider the abolition of private rights in land as the best possible

policy for countering the attack of socialism. This volume, which was uncompleted at his death, is an effort to bring up to date the reasoning of Henry George and to apply it to present-day conditions in England.

If a body of intelligent and educated Western Europeans were to find themselves today in possession of an entirely new large island, hitherto unknown to man, it is extremely doubtful whether they would contemplate such a thing as the establishment of inheritable proprietary rights by individuals to any portions of that island's surface. They would say to themselves that that which no individual created, no individual should own. Our own problem is less simple, only because we and our ancestors have recognized proprietary rights in land for many generations. Those rights have been freely interchanged for other rights about whose preservation there is little question. It is difficult to pick out a certain class of property rights and say to their unfortunate owners that because of a certain difference between them and other rights (a difference to which nobody had paid any attention for generations), we propose to abolish them while leaving the other rights subsisting. However, it is worth bearing in mind that there are precedents even for such behavior: when we went in for prohibition in a big way we did not scruple to destroy the property rights of the owners of breweries and licensed premises; nor is it true by actually taking away the property, but by forbidding its use for the only purpose for which it was suited. The Americans similarly wiped out the property rights in slaves, but it is true that most of the holders of those rights were in a state of rebellion against the Government when it did so.

The nearest thing to a realization of any part of the Henry George theory took place in England in 1931, when Lord Snowden, then the financial authority of the Labor Government, put through a Bill for the valuation of all land having a more than agricultural value, with a view to the transfer of local taxation from improvement to land values. His Government went out of power a few months later, and the new Government suspended the valuation immediately. The Snowden scheme in any case was only a very partial step in the Henry George direction.

Dr. Muirhead of course admits that the extinction of the landlord's interest in the property which he acquired in good faith must be gradual; but he maintains that this would cause no difficulty. He admits some force in the criticism that accurate valuation of natural land values as distinct from improvement values is difficult. But the difficulty in the case of urban properties is much more serious than he is disposed to allow. Take for example the case of Rockefeller Centre in New York City. A large area of distinctly low-grade real estate, not all of it the property of the Centre, is in process of being raised to very high-grade quality, entirely as a result of intelligent human enterprise. Under the present system the owners of the Centre will receive everything that results from the improvement, over and above the interest charge on the original cost of their land. Some part at least of this income, one imagines, is taken from the owners of land in other parts of the city of New York, whose tenants are impelled to remove to Rockefeller Centre. How much would the Henry George valuers allow as a result of improvement, and how much would they demand for the state as a result of the natural qualities of the land?

The objection is perhaps not a serious one, for we may assume that under the Henry George system no such operation would be undertaken without a definite understanding between the State, as the real beneficiary landlord, and the capitalists who were planning to provide the improvements. Unfortunately there remains the problem of enforcing agreements made with the state. A contract of lease made with a landlord can be enforced in the courts. A purchase of land needs no enforcement after the transfer has been made. But a long-term contract with a sovereign power is a different proposition, as we in the Province of Ontario have very good reason to know.

We should not be surprised, as already remarked, if the Henry George theory had a considerable revival of popularity, and in that case this book will have had a good deal to do with it.

The Annapolis Valley, famed for its apple blossoms and luscious fruit, is also the birthplace of ninety per cent. of Nova Scotia chicks. The province incubates about 125,000 chicks annually.

ROYAL BANK OF SCOTLAND

(Incorporated by Royal Charter 1727)

Capital (fully paid) £3,780,192

Reserve Fund £3,851,143

Deposits £64,009,174

OVER 200 YEARS OF COMMERCIAL BANKING

A WORLD-WIDE SERVICE

HEAD OFFICE, EDINBURGH,

LONDON (CHIEF) CITY OFFICE

254 Branches in All.

3 Bishopsgate, LONDON, E.C.2

General Manager, WILLIAM WHYTE

Associated Bank—William Deacon's Bank, Ltd. (Members of the London Bankers' Clearing House)

CANADA CEMENT COMPANY LIMITED

Annual Report of the Board of Directors

TO THE SHAREHOLDERS:—

Your Directors present herewith a statement of the affairs and financial position of your Company for the fiscal year ending November 30, 1935.

The volume of cement sold in Canada during the year just closed was slightly lower than in the previous year. There was considerable improvement in the use of cement for buildings and small uses, but on the other hand there was a falling-off in road and street paving and in municipal work generally. While the increase in the one and the decline in the other nearly balanced, there was, on the whole, a small decrease in consumption.

The statement presented herewith reflects the condition of the industry during the year, showing, as it does, very little change from the previous year's statement. The Gross Earnings were sufficient to pay Bond Interest and Exchange amounting to \$1,038,913.26 and to provide for Depreciation of Plant Account to the extent of \$1,000,000, leaving a small balance to be carried forward to Surplus Account. Earnings were not sufficient during the year to justify any payment on the Preferred Stock and dividends therefore accrued for the year.

The set-up of the Balance Sheet has been somewhat changed from the previous year, in that now all the subsidiary companies' accounts have been consolidated in the Balance Sheet, with the exception of the St. Lawrence Land Company, which owns the Canada Cement Building. The outstanding Bonds and Securities of all subsidiaries, other than the St. Lawrence Land Company, have now been redeemed, making it possible to bring them all, with this exception, into the Consolidated Statement.

It is difficult in times like these to make forecasts. Nevertheless, it is true that the construction industry in the other countries of the world, outside of Canada, is showing considerable activity, in some countries reaching boom conditions. It would seem, therefore, that at least a moderate revival of the industry, particularly in private building, is overdue in Canada. It is not expected that progress will be rapid, but there are indications of a turn towards improvement.

Your Company, you will note, has well maintained its liquid position and we trust that, under the circumstances obtaining in the industry, the results of the year's operations will prove satisfactory to you.

Respectfully submitted on behalf of the Board of Directors,

J. D. JOHNSON,
President.

CONSOLIDATED BALANCE SHEET—NOVEMBER 30, 1935

ASSETS	
CURRENT ASSETS	
Investments, determined and entitled to be the Management and valued at or below cost, which is below market	\$ 1,373,437.52
Accounts Receivable (less Bad Debt Reserve): Customers' Accounts	\$21,629.33
Other Accounts	26,364.62
Loans to Employees for purpose of purchase of Company's Shares	340,003.33
Deposits and Bonds	6,302.46
Securities deposited with Workmen's Compensation Commission	5,000.00
Government Bonds (Market Value \$1,610,350.00)	1,570,512.63
Cash	1,154,539.79
	\$ 4,457,799.29
INVESTMENT IN AND ADVANCES TO ST. LAWRENCE LAND COMPANY:	
(Owning the Canada Cement Building and other Properties): Shares (the total issued less amounts written off)	\$ 25,114.34
Advances	705,475.55
	730,921.89
OTHER INVESTMENTS:	
Company's Own Bonds (in part)	\$ 371,000.00
Miscellaneous Investments at book value, less amounts written off	60,034.50
	431,034.50
UNEXPIRED INSURANCE, PREPAID TAXES AND OTHER PREPAID EXPENSES	
PROPERTY ACCOUNT:	
Land, Building, Plant and Equipment, etc., as appraised by Messrs. Fox, Bowes & Davis, Inc., on the basis of commercial value at September 30, 1935, \$38,267,500.00, with the cost of subsequent additions, and acquisitions, less Depreciation written off	40,766,456.38
	\$ 46,448,896.69
LIABILITIES	
CURRENT LIABILITIES:	
Accounts Payable	\$ 294,623.45
Bond Interest Accrued	75,187.19
Provision for Dominion, Provincial and Other Taxes	66,129.44
	438,944.99
RESERVES:	
Profit, since 1927	\$ 750,000.00
Extraordinary Repairs and Renewals	175,000.00
Cloth Sacks Outstanding	150,000.00
Industrial Accidents	50,600.00
Contingent Reserve	250,000.00
	1,384,600.00
FIRST MORTGAGE SINKING FUND GOLD BONDS	
9½% SERIES "A" DUE 1947:	
Authorized	\$ 10,000,000.00
Issued	\$20,000,000.00
Less: Redeemed through Sinking Fund	2,941,000.00
	17,059,000.00
PREFERENCE SHARES — 6½% SINKING FUND CUMULATIVE SHARES OF \$100.00 EACH	
Authorized (for which \$2,100,000.00 has been issued)	\$25,000,000.00
Outstanding	20,086,900.00
NOTE: No dividends have been paid since May 31, 1932.	
PREFERENCE SHARES REDEMPTION RESERVE	
Common Shares: 600,000 Shares of No Par Value, out of an authorized issue of 750,000 Shares, issued at the incorporation of the Company in 1927.	\$ 6,403,904.75
COMMON SHARES:	
Profit and Loss Account for the year ending Nov. 30, 1935	\$ 2,015,010.24
Interest, including Interest on the Company's holdings in its own Bonds	178,140.89
Deduct: Bond Interest and exchange thereon	\$ 1,038,913.26
Depreciation written off Prop. etc. Account	\$ 1,116,544.47
Premium paid on Bonds purchased	\$ 26,759.18
Executive Remuneration	65,162.66
Directors' Fees	9,690.00
Legal Expenses	1,463.29
Provision for Dominion and Provincial Income Taxes	19,470.00
	\$ 37,693.31
Adjustments in respect of prior years	62,658.81
	\$ 90,352.12
Balance of Surplus, November 30, 1934	945,294.83
	\$ 1,035,846.95
	\$ 46,448,896.69

AUDITORS' REPORT TO THE SHAREHOLDERS: